

**Jewish Community Foundation of
Greater Hartford, Inc.**

**Financial Statements
and Independent Auditor's Report**

June 30, 2025 and 2024



Jewish Community Foundation of Greater Hartford, Inc.

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Independent Auditor's Report

To the Board of Trustees
Jewish Community Foundation of Greater Hartford, Inc.

Opinion

We have audited the financial statements of Jewish Community Foundation of Greater Hartford, Inc., which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of Jewish Community Foundation of Greater Hartford, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the contents of the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Hartford, Connecticut
November 10, 2025

Jewish Community Foundation of Greater Hartford, Inc.

**Statements of Financial Position
June 30, 2025 and 2024**

	<u>Assets</u>	
	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents	\$ 5,380,664	\$ 6,348,639
Contributions receivable, net (Note 4)	61,524	201,165
Investments - marketable securities (Note 5)	164,746,106	143,232,317
Investments - non-marketable securities (Note 5)	21,614,703	22,416,630
Cash surrender value of life insurance (Note 6)	280,659	244,634
Right-of-use assets (Note 9)	29,028	62,964
Other assets	<u>30,532</u>	<u>33,041</u>
 Total assets	 <u><u>\$ 192,143,216</u></u>	 <u><u>\$ 172,539,390</u></u>
	<u>Liabilities and Net Assets</u>	
Liabilities		
Accounts payable and accrued liabilities	\$ 29,725	\$ 46,306
Grants payable	611,986	577,482
Lease liabilities - operating (Note 9)	29,028	62,964
Custodial funds managed for other charitable organizations (Note 12)	26,448,106	25,592,932
Split-interest agreements (Note 10)	<u>388,876</u>	<u>243,343</u>
 Total liabilities	 <u>27,507,721</u>	 <u>26,523,027</u>
Net assets		
Without donor restrictions		
General-purpose funds	40,839,109	37,189,725
Donor-advised funds	59,750,707	51,391,872
Designated funds	<u>63,721,763</u>	<u>57,235,869</u>
 Total net assets without donor restrictions	 164,311,579	 145,817,466
 With donor restrictions (Note 13)	 <u>323,916</u>	 <u>198,897</u>
 Total net assets	 <u>164,635,495</u>	 <u>146,016,363</u>
 Total liabilities and net assets	 <u><u>\$ 192,143,216</u></u>	 <u><u>\$ 172,539,390</u></u>

See Notes to Financial Statements.

Jewish Community Foundation of Greater Hartford, Inc.

**Statements of Activities and Changes in Net Assets
Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Changes in net assets without donor restrictions		
Public support and revenues		
Gifts, grants and bequests	\$ 9,574,004	\$ 4,970,844
Change in contributions receivable discount	<u>3,433</u>	<u>3,097</u>
Total contributions	9,577,437	4,973,941
Investment income, net (Note 5)	2,207,561	2,404,549
Net assets release from restriction	15,052	-
Realized and unrealized gains on investments (Note 5)	<u>15,052,706</u>	<u>11,046,777</u>
Total investment income	17,275,319	13,451,326
Change in cash surrender value of life insurance (Note 6)	33,420	43,514
Fee income	1,813,417	1,725,241
Fee income eliminated in consolidation	<u>(1,523,826)</u>	<u>(1,397,016)</u>
Net fee income	289,591	328,225
Total public support and revenues	<u>27,175,767</u>	<u>18,797,006</u>
Grants and expenses		
Grants and other distributions	6,845,204	7,241,798
Operating expenses	<u>1,836,450</u>	<u>1,903,219</u>
Total grants and expenses	<u>8,681,654</u>	<u>9,145,017</u>
Total change in net assets without donor restrictions	<u>18,494,113</u>	<u>9,651,989</u>
Changes in net assets with donor restrictions		
Gifts	261,329	-
Net assets released from restrictions	(15,052)	-
Change in value of split-interest agreements (Note 10)	(141,419)	509
Realized and unrealized gains	<u>20,161</u>	<u>14,425</u>
Total change in net assets with donor restrictions	<u>125,019</u>	<u>14,934</u>
Total change in net assets	18,619,132	9,666,923
Net assets, beginning	<u>146,016,363</u>	<u>136,349,440</u>
Net assets, end	<u><u>\$ 164,635,495</u></u>	<u><u>\$ 146,016,363</u></u>

See Notes to Financial Statements.

Jewish Community Foundation of Greater Hartford, Inc.

**Statements of Functional Expenses
Years Ended June 30, 2025 and 2024**

	Program services	Management and general	Fundraising	2025 Total
Grants and other distributions	\$ 6,845,202	\$ -	\$ -	\$ 6,845,202
Salaries	477,087	336,452	307,542	1,121,081
Employee benefits and payroll taxes	82,734	67,951	47,523	198,208
Insurance	-	29,956	-	29,956
Office expense	28,977	20,437	18,678	68,092
Professional expenses	6,675	100,482	6,675	113,832
Information technology	34,093	24,043	21,977	80,113
Occupancy	-	54,109	-	54,109
Professional development	4,082	4,082	5,443	13,607
Marketing and outreach	62,074	27,589	50,737	140,400
Advertising and promotion	7,674	-	9,380	17,054
Total expenses	<u>\$ 7,548,598</u>	<u>\$ 665,101</u>	<u>\$ 467,955</u>	<u>\$ 8,681,654</u>
	Program services	Management and general	Fundraising	2024 Total
Grants and other distributions	\$ 7,241,798	\$ -	\$ -	\$ 7,241,798
Salaries	515,009	374,932	319,259	1,209,200
Employee benefits and payroll taxes	82,239	69,717	58,305	210,261
Insurance	-	28,376	-	28,376
Office expense	24,919	18,141	15,448	58,508
Professional expenses	8,776	115,938	8,776	133,490
Information technology	31,539	22,961	19,551	74,051
Occupancy	-	52,590	-	52,590
Professional development	7,082	7,082	9,443	23,607
Marketing and outreach	43,594	19,375	35,501	98,470
Advertising and promotion	6,600	-	8,066	14,666
Total expenses	<u>\$ 7,961,556</u>	<u>\$ 709,112</u>	<u>\$ 474,349</u>	<u>\$ 9,145,017</u>

See Notes to Financial Statements.

Jewish Community Foundation of Greater Hartford, Inc.

Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Cash receipts from gifts and bequests	\$ 10,024,013	\$ 5,154,689
Investment income, net	2,564,092	2,873,451
Payments to employees and suppliers	(1,850,522)	(1,871,034)
Grants and other distributions	(6,810,700)	(7,176,222)
Cash receipts from fee income	<u>289,591</u>	<u>328,225</u>
Net cash provided by (used in) operating activities	<u>4,216,474</u>	<u>(690,891)</u>
Cash flows from investing activities		
Proceeds from sales and redemptions of securities	10,924,005	19,209,615
Purchases of securities	(13,978,878)	(9,867,331)
Premiums paid for life insurance	<u>(44,097)</u>	<u>(44,097)</u>
Net cash (used in) provided by investing activities	<u>(3,098,970)</u>	<u>9,298,187</u>
Cash flows from financing activities		
Receipt of custodial funds held for other organizations	550,326	1,058,862
Distribution of custodial funds held for other organizations	<u>(2,635,805)</u>	<u>(8,368,078)</u>
Net cash used in financing activities	<u>(2,085,479)</u>	<u>(7,309,216)</u>
Net (decrease) increase in cash and cash equivalents	(967,975)	1,298,080
Cash and cash equivalents, beginning	<u>6,348,639</u>	<u>5,050,559</u>
Cash and cash equivalents, end	<u><u>\$ 5,380,664</u></u>	<u><u>\$ 6,348,639</u></u>

Jewish Community Foundation of Greater Hartford, Inc.

Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Reconciliation of change in net assets to net cash provided by (used in) operating activities		
Change in net assets	\$ 18,619,132	\$ 9,666,923
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Realized and unrealized gains on investments	(15,072,867)	(11,061,202)
Investment income on custodial funds	356,531	468,902
Cash surrender value of life insurance, net	8,072	(2,023)
Change in value of split-interest agreements	141,419	(509)
Change in contributions receivable discount	(3,433)	(3,097)
Changes in operating assets and liabilities		
Contributions receivable	143,074	151,323
Other assets	2,509	(5,272)
Accounts payable and accrued liabilities	(16,581)	37,457
Grants payable	34,504	65,576
Split-interest agreements	4,114	(8,969)
Total adjustments	<u>(14,402,658)</u>	<u>(10,357,814)</u>
Net cash provided by (used in) operating activities	<u>\$ 4,216,474</u>	<u>\$ (690,891)</u>
Noncash financing activities		
Change in value of split-interest agreements	\$ 141,419	\$ (509)
Change in cash surrender value	8,072	(2,023)

See Notes to Financial Statements.

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

Note 1 - Description of the Foundation

Nature of services provided

The Jewish Community Foundation of Greater Hartford, Inc. (the "Foundation") serves the Greater Hartford Jewish community, its donors, agencies and synagogues by responding to community needs and emergencies, supporting special projects and new programs, and managing charitable funds for the benefit of the community. Over the years, thousands of individuals, families, businesses and foundations have contributed to the Foundation. Today, donors recognize the importance of a charitable endowment for the community and continue to start and/or add to funds with both current contributions and with provisions for the Foundation in their estate plans.

The Foundation strives to use the power of philanthropy to meet community challenges, strengthen nonprofit organizations, and provide ongoing financial support, education and technical assistance to the community. The Foundation views itself as more than a steward of community endowment as it actively seeks to identify and address the community's most pressing challenges through innovative grant making and collaborative partnerships.

The Foundation's operations are governed by its Board of Trustees.

Note 2 - Summary of significant accounting policies

The significant accounting policies of the Foundation are as follows:

Basis of presentation

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The Foundation's accounting system is based on a fund accounting structure by which the charitable resources held by the Foundation are classified for financial accounting and reporting purposes in accordance with any restrictions or limitations imposed by donors or in accordance with action of the Board of Trustees. The resources of the Foundation are managed as individual funds according to their nature and purpose. Each fund is an accounting entity with a self-balancing set of accounts for recording assets, liabilities, a fund balance and changes in the fund balance (revenue, expense and cash transfers). Separate accounts are maintained for each fund to track any limitations and restrictions placed on their use.

Net assets without donor restrictions

Donor-advised and designated funds are both characterized as net assets without donor restrictions. In certain extraordinary circumstances, such as the loss of tax-exempt status or cessation of operations of the named beneficiary organization, it is the practice of the Foundation to reserve the right to vary donor-imposed restrictions (this right being known as "variance language"). Because of this variance language, these assets are considered net assets that are not subject to explicit donor-imposed stipulations and, therefore, characterized as net assets without donor restrictions. Custodial funds are reflected as a liability and are not included in net assets without donor restrictions. For accounting and reporting purposes, funds of similar characteristics are classified into the following categories:

General-purpose funds

Unless specifically restricted as to the use of principal or income by the donor, any gift or bequest is available for general purposes.

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

Donor-advised funds

Funds which are (1) separately identified by reference to the contributions of a donor or donors, (2) owned by the Jewish Community Foundation and (3) with respect to which a donor (or any person appointed or designated by such donor) has, or reasonably expects to have, advisory privileges with respect to the distribution of amounts held in such fund by reason of the donor's status as a donor are recorded as donor advised funds. Upon the death of the donor and the donor's designee(s), if any, the right to advise expires and the fund becomes part of the general-purpose fund balance unless otherwise designated by the donor.

Designated funds

Designated funds are specifically restricted as to use by the donor. Because of the variance language, these assets are characterized as net assets without donor restrictions.

Net assets with donor restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. To the best knowledge of management (and in part because of the variance language noted above), the Foundation does not have any net assets with donor restrictions that must be permanently maintained as June 30, 2025 and 2024.

Revenue recognition

The Foundation classifies contributions as either conditional or unconditional. A conditional contribution is a transaction where the Foundation has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Foundation fails to overcome the barrier. The Foundation recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional promises to give are recorded as contributions receivable and support when the promise is received. Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statements of activities and changes in net assets as net assets released from restrictions. Contributions receivable are discounted to the anticipated net present value of the future cash flows. The Foundation distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions.

Fee income represents administrative fees that are charged to the funds administered by the Foundation and, with the exception of fees charged to custodial funds, are eliminated in consolidation. Fees are charged monthly based on the average daily value of assets during each month and deducted directly from the funds. Scholarship and general-purpose funds are charged a 1.25% fee. Donor-advised, designated, agency endowment, field of interest and custodial funds are charged a graduated fee of 1% on the first \$1 million, .9% up to \$2.5 million, .8% up to \$5 million and .65% over \$5 million. Total fees charged during the years ended June 30, 2025 and 2024 were \$1,813,417 and \$1,725,241, respectively, of which \$1,523,826 and \$1,397,016, respectively, were eliminated in consolidation. There were no receivables or deferrals at June 30, 2025, 2024 and 2023 for contract revenue.

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

Furniture and fixtures

The Foundation capitalizes furniture and fixtures expenditures at cost. Depreciation is provided on the straight-line method over three to five years. Renewals and improvements, which extend the useful lives of assets, are capitalized at cost. Maintenance and repairs are included as expenses in the statements of activities and changes in net assets.

The Foundation follows the policy of capitalizing property that costs more than \$10,000 for the year ended June 30, 2025 and \$2,500 for the year ended June 30, 2024.

Investments

Investments are carried at fair value (Note 7). Net investment return or loss is reported in the statements of activities and changes in net assets and consists of interest and dividend income, net of external investment expenses, and realized and unrealized gains and losses.

Custodial funds

The Foundation receives, manages, invests and distributes assets under agreements with certain nonprofit organizations. These assets are recorded as investment assets and liabilities of the Foundation.

Cash and cash equivalents

For purposes of the statements of cash flows, the Foundation considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Donated services

Donated services are recorded in the financial statements if they enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. General volunteer services do not meet these criteria for recognition. During the years ended June 30, 2025 and 2024, many individuals volunteered their time and performed a variety of tasks that assisted the Foundation. The values of these services are not recognized in the accompanying financial statements. The Foundation did not receive any contributed nonfinancial assets for the years ending June 30, 2025 and 2024.

Estimates

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

Functional allocation of expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, insurance, professional services, office expenses, information technology and occupancy which are allocated on the basis of estimates of time and effort.

Income tax status

The Foundation is classified by the Internal Revenue Service (IRS) as a tax-exempt organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and as a public charity under Sections 509(a)(1) and 170(b)(1)(A)(vi) of the IRC. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

Management has analyzed the tax positions taken by the Foundation and has concluded that, as of June 30, 2025 and 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. If the Foundation had unrelated business income taxes, it would recognize interest and penalties associated with any tax matters as part of the income provision and include accrued interest and penalties with the related tax liability in the statements of financial position.

Change in accounting policy

Effective July 1, 2024 the Foundation revised its accounting policy related to the capitalization of furniture and fixtures. Previously, the Foundation capitalized individual purchases with a cost of \$2,500 under the revised policy, the capitalization threshold has been increased to \$10,000.

Management believes this change is preferable as it is consistent with the capitalization policies of similar foundations, improves administrative efficiency, better reflects materiality of expenditures in the Foundations financial statements. The effect of this change is not expected to have a material impact on the Foundations financial statements.

Subsequent events

The Foundation has evaluated events and transactions for potential recognition or disclosure through November 10, 2025, which is the date the financial statements were available to be issued.

Note 3 - Liquidity

The Foundation regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while investing in accordance with the Foundation's investment strategy in Note 7. As of June 30, 2025 and 2024, the following financial assets are available to meet annual operating needs of the subsequent years as follows:

	2025	2024
Cash and cash equivalents	\$ 5,380,664	\$ 6,348,639
Contributions receivable	61,524	201,165
Marketable securities	164,746,106	143,232,317
Non-marketable securities	21,614,703	22,416,630
Total financial assets	191,802,997	172,198,751
Less amounts not available to be used within one year		
Contributions receivable - due after one year, net	-	(59,186)
Assets held under split-interest agreements	(712,376)	(442,232)
Custodial funds managed for other charitable	(26,448,106)	(25,592,932)
Donor-advised funds	(59,750,707)	(51,391,872)
Designated funds	(63,721,763)	(57,235,869)
Financial assets available to meet general expenditures within one year	<u>\$ 41,170,045</u>	<u>\$ 37,476,660</u>

The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents, and liquid equity and bond instruments primarily from within its general-purpose funds. The Foundation's Investment Committee meets at least quarterly to review investment performance and consider near-term liquidity needs. As a general matter, the Foundation strives to maintain a cash position in excess of one year's operating expense, but in all cases, maintains liquid assets from general-purpose funds sufficient to cover near-term liquidity needs.

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

In addition to financial assets available to meet general expenditures within one year, amounts reported as designated funds could be made available, as needed, by Board action.

Note 4 - Contributions receivable

Contributions receivable are expected to be realized in the following periods:

	<u>2025</u>	<u>2024</u>
Less than one year	\$ 61,524	\$ 141,979
One to five years	<u>-</u>	<u>62,619</u>
	61,524	204,598
Less unamortized discount (0% and 5.80%, respectively)	<u>-</u>	<u>3,433</u>
Total	<u><u>\$ 61,524</u></u>	<u><u>\$ 201,165</u></u>

Note 5 - Investments

The fair value of marketable securities at June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Pooled investments		
Managed equity funds	\$ 135,128,995	\$ 117,316,847
Managed bond funds	27,757,305	24,104,877
State of Israel bonds	<u>1,858,805</u>	<u>1,806,714</u>
Total pooled investments	164,745,105	143,228,438
Non-pooled investments		
Other	<u>1,001</u>	<u>3,879</u>
Total marketable securities	<u><u>\$ 164,746,106</u></u>	<u><u>\$ 143,232,317</u></u>

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

The fair value of non-marketable investments at June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Pooled investments		
Non-marketable securities		
Private equity	\$ 8,699,439	\$ 10,932,275
Venture capital	8,511,868	7,874,313
Private international equity	<u>4,403,396</u>	<u>3,610,042</u>
Total non-marketable securities	<u>\$ 21,614,703</u>	<u>\$ 22,416,630</u>

Investment return for the years June 30, 2025 and 2024 is summarized as follows:

	<u>2025</u>	<u>2024</u>
Interest and dividend income, net	\$ 2,564,092	\$ 2,873,451
Less investment returns applicable to custodial funds	<u>(356,531)</u>	<u>(468,902)</u>
Net investment income	<u>2,207,561</u>	<u>2,404,549</u>
Realized gains	5,457,036	7,697,434
Unrealized gains	12,179,792	5,827,755
Gains applicable to custodial funds	(2,584,122)	(2,478,412)
Realized gains - net assets with donor restrictions	<u>20,161</u>	<u>14,425</u>
Net realized and unrealized (losses) gains	<u>15,072,867</u>	<u>11,061,202</u>
Total investment return	<u>\$ 17,280,428</u>	<u>\$ 13,465,751</u>

Realized for custodial funds	\$ 811,783	\$ 1,411,444
Unrealized for custodial funds	<u>1,772,339</u>	<u>1,066,968</u>
	<u>\$ 2,584,122</u>	<u>\$ 2,478,412</u>

Note 6 - Cash surrender value of life insurance

The cash surrender value of life insurance represents the amount the Foundation would receive from the life insurance policies it owns in the event the coverage is cancelled and the policy is surrendered to the issuing insurance company prior to the death of the insured. The cash surrender value of life insurance was \$280,659 and \$244,634 as of June 30, 2025 and 2024, respectively.

Note 7 - Fair value measurements

The Foundation values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements,

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value. The fair value hierarchy does not attempt to measure the quality of the investments.

Level 1 investments are valued based upon quoted market prices from real-time quotes in active exchange markets involving identical assets held by the Foundation at year-end. Level 2 investments are valued based upon their unit values reported at year-end. These units consist of investments valued based on observable inputs.

The Foundation's pooled investments and its non-marketable investments include direct investments in private equity funds, partnerships and limited liability companies. Their estimated fair values are reported at the net asset value ("NAV") per share of the investment or its equivalent, as a practical expedient for a fair value measurement, if (a) the underlying investment manager's calculation of NAV is fair value based, and (b) the NAV has been calculated by the fund manager as of the Foundation's fiscal year-end. If the reported NAV is not as of the Foundation's fiscal year-end or is not fair value based, the Foundation will adjust the NAV if deemed necessary. If the Foundation determines it is not practicable to calculate adjusted NAV, the practical expedient will not be utilized and other valuation methodologies will be used.

There have been no changes in the methodologies used at June 30, 2025 and 2024.

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

Financial assets and liabilities measured at fair value at June 30, 2025 have been categorized in the table below based upon the fair value hierarchy described above:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Marketable securities				
Pooled investments				
Managed equity funds	\$ 102,062,293	\$ 102,062,293	\$ -	\$ -
Managed bond funds	16,760,886	16,760,886	-	-
State of Israel bonds	<u>1,858,805</u>	<u>1,858,805</u>	-	-
Total pooled investments	120,681,984	120,681,984	-	-
Non-pooled investments				
Other	<u>1,001</u>	<u>1,001</u>	-	-
Total marketable securities in the fair value hierarchy	<u>120,682,985</u>	<u>\$ 120,682,985</u>	<u>\$ -</u>	<u>\$ -</u>
Pooled investments				
Fixed income funds	10,996,419			
International value funds	<u>33,066,702</u>			
Total pooled investments measured at NAV	<u>44,063,121</u>			
Total marketable securities at fair value	<u>164,746,106</u>			
Non-marketable securities				
Private equity	8,699,439			
Venture capital	8,511,868			
Private international equity	<u>4,403,396</u>			
Total non-marketable securities measured at NAV	<u>21,614,703</u>			
Total investments at fair value	<u>\$ 186,360,809</u>			
Liabilities under split-interest agreements	<u>\$ 388,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 388,876</u>

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

Financial assets and liabilities measured at fair value at June 30, 2024 have been categorized in the table below based upon the fair value hierarchy described above:

	Fair value	Level 1	Level 2	Level 3
Marketable securities				
Pooled investments				
Managed equity funds	\$ 90,518,830	\$ 90,518,830	\$ -	\$ -
Managed bond funds	15,350,346	15,350,346	-	-
State of Israel bonds	1,806,714	1,806,714	-	-
Total pooled investments	107,675,890	107,675,890	-	-
Non-pooled investments				
Other	3,879	3,879	-	-
Total marketable securities in the fair value hierarchy	107,679,769	<u>\$ 107,679,769</u>	<u>\$ -</u>	<u>\$ -</u>
Pooled investments				
Fixed income funds	8,754,531			
International value funds	26,798,017			
Total pooled investments measured at NAV	<u>35,552,548</u>			
Total marketable securities at fair value	<u>143,232,317</u>			
Non-marketable securities				
Private equity	10,932,276			
Venture capital	7,874,313			
Private international equity	3,610,041			
Total non-marketable securities measured at NAV	<u>22,416,630</u>			
Total investments at fair value	<u>\$ 165,648,947</u>			
Liabilities under split-interest agreements	<u>\$ 243,343</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243,343</u>

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

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

Investments valued using NAV at June 30, 2025 and 2024 are as follows:

<u>June 30, 2025</u>		<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency (if currently eligible)</u>	<u>Redemption notice period</u>
Marketable securities					
Fixed income funds	(a)	\$ 10,996,419	\$ -	Daily-Monthly	0-5 days
International value funds	(b)	33,066,702	-	Monthly, Semi-annual, or Semi-liquid	10-60 days
		<u>\$ 44,063,121</u>	<u>\$ -</u>		
Non-marketable securities					
Private equity	(c)	\$ 8,699,439	\$ 1,098,853	Not Eligible or Quarterly	N/A
Venture capital	(d)	8,511,868	3,625,753	Not Eligible	N/A
Private international equity	(e)	4,403,396	10,000	Not Eligible, Quarterly, or Annually	60-90 days
		<u>\$ 21,614,703</u>	<u>\$ 4,734,606</u>		
<u>June 30, 2024</u>		<u>Fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency (if currently eligible)</u>	<u>Redemption notice period</u>
Marketable securities					
Fixed income funds	(a)	\$ 8,754,531	\$ -	Daily-Monthly	0-5 days
International value funds	(b)	26,798,017	-	Monthly, Semi-annual, or Semi-liquid	10-60 days
		<u>\$ 35,552,548</u>	<u>\$ -</u>		
Non-marketable securities					
Private equity	(c)	\$ 10,932,276	\$ 1,268,573	Not Eligible or Quarterly	N/A
Venture capital	(d)	7,874,313	4,846,628	Not Eligible	N/A
Private international equity	(e)	3,610,041	10,000	Not Eligible, Quarterly, or Annually	60-90 days
		<u>\$ 22,416,630</u>	<u>\$ 6,125,201</u>		

- (a) This category seeks income-oriented returns investing globally in mostly debt or debt-like securities.
- (b) This category primarily includes investments in funds that invest mostly in international common stocks.
- (c) This category includes investments in private limited partnerships, which make private equity investments with the objective of long-term capital growth. Distributions from each partnership will be received, generally, as the underlying investments are liquidated. It is estimated that the underlying assets will be liquidated and the partnerships will be terminated 10 to 15 years after inception of the fund.
- (d) This category primarily includes investments in private limited partnerships, which make venture capital investments in emerging growth companies with the objective of long-term capital growth. Distributions from each partnership will be received as the underlying investments are liquidated. It is estimated that the underlying assets will be liquidated and the partnerships will be terminated 10 to 15 years after inception of the fund.

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

- (e) This category primarily includes investments in private international limited partnerships, which make private international equity investments with the objective of long-term capital growth. Distributions from each partnership will be received as the underlying investments are liquidated. It is estimated that the underlying assets will be terminated 10 to 15 years after inception of the fund.

Changes in fair value of non-marketable securities measured using NAV for the year ended June 30, 2025 are as follows:

	<u>Total</u>	<u>Private equity</u>	<u>Venture capital</u>	<u>Private international equity</u>
Balance, beginning	\$ 22,416,630	\$ 10,932,276	\$ 7,874,313	\$ 3,610,041
Realized gains (losses)	893,471	517,468	393,052	(17,049)
Unrealized gains (losses)	(81,432)	(528,184)	(367,637)	814,389
Contributions	3,335,147	1,078,785	1,864,160	392,202
Distributions	(4,767,126)	(3,203,053)	(1,168,650)	(395,423)
Net (expense) income	<u>(181,987)</u>	<u>(97,853)</u>	<u>(83,370)</u>	<u>(764)</u>
Balance, ending	<u><u>\$ 21,614,703</u></u>	<u><u>\$ 8,699,439</u></u>	<u><u>\$ 8,511,868</u></u>	<u><u>\$ 4,403,396</u></u>

Change in fair value of non-marketable securities measured using NAV for the year ended June 30, 2024 are as follows:

	<u>Total</u>	<u>Private equity</u>	<u>Venture capital</u>	<u>Private international equity</u>
Balance, beginning	\$ 21,469,560	\$ 10,226,454	\$ 7,576,182	\$ 3,666,924
Realized gains (losses)	460,850	249,018	220,122	(8,290)
Unrealized losses	(200,492)	(159,667)	(17,412)	(23,413)
Contributions	1,557,288	949,788	607,500	-
Distributions	(915,005)	(432,151)	(456,732)	(26,122)
Net (expense) income	<u>44,429</u>	<u>98,834</u>	<u>(55,347)</u>	<u>942</u>
Balance, ending	<u><u>\$ 22,416,630</u></u>	<u><u>\$ 10,932,276</u></u>	<u><u>\$ 7,874,313</u></u>	<u><u>\$ 3,610,041</u></u>

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

Quantitative information about Level 3 fair value measurements

2025	Fair Value	Valuation Technique	Unobservable inputs	Range of significant input
Liabilities under split interest agreements	\$ 388,876	Present value of estimated future payment	Life expectancy, Discounted cash flow	5-31 years 5.0%
2024	Fair Value	Valuation Technique	Unobservable inputs	Range of significant input
Liabilities under split interest agreements	\$ 243,343	Present value of estimated future payment	Life expectancy, Discounted cash flow	4-32 years 5.8%

Note 8 - Charitable funds management

The Foundation has more than 1,400 individual funds established for a variety of charitable purposes. It fulfills its responsibility for the charitable funds it manages by accounting for, reporting and making distributions from each fund in accordance with the donor's original intent as specified in the gift instrument that established the fund. In certain extraordinary circumstances, such as the loss of tax-exempt status or cessation of operations of the named beneficiary organization, the Foundation reserves the right to vary donor-imposed restrictions. Individual gift instruments may allow for the invasion of corpus unless expressly prohibited by their terms.

The Connecticut Uniform Prudent Management of Institutional Funds Act ("CTUPMIFA"), provides guidelines for managing and investing charitable funds, as well as for spending from endowment funds.

The Foundation, upon review of gift instruments creating charitable funds at the Foundation, identified no funds that meet the definition of endowment under CTUPMIFA. Although the charitable assets entrusted to the Foundation do not meet this definition and, therefore, its spending is not limited by the provisions of CTUPMIFA, the Foundation looks to the following factors described in CTUPMIFA as a guide for prudent stewardship of the charitable assets it manages:

- (1) the duration and preservation of a fund;
- (2) the charitable purposes of the Foundation and the charitable funds it manages;
- (3) general economic conditions;
- (4) the possible effect of inflation and deflation;
- (5) the expected total return from income and the appreciation (depreciation) of investments;
- (6) other resources of the Foundation; and

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

(7) the investment policies of the Foundation.

Investment strategy

The Foundation follows a total return approach to investing. This investment approach strives to balance income and potential for capital appreciation so that both components can contribute to the long-term total return of the Foundation's pooled investment portfolio.

The Foundation's investment policy and guidelines and spending guidelines are designed to operate in concert in order to provide a significant and stable flow of funds over the short-term to provide resources to meet current community needs and, at the same time, maintain the purchasing power of the funds over the long-term, so that the Foundation will be able to provide adequate resources to future generations to meet new and emerging needs.

Spending policy

The Foundation's spending policy guides the amount that will be available each year for grant making and for the support of the Foundation's operating budget. Annual spending at the Foundation is based on a percentage of the average value of funds over the previous 20 quarters, subject to a ceiling and a floor. It applies to general-purpose and designated funds at the Foundation, with the exception of portions of funds that represent non-liquid assets, funds that hold income generating investments and where gift instruments specifically provide for distributions of other amounts. With respect to donor-advised and custodial funds the spending policy amount is a guide; grants and distributions may be made in excess of or less than the calculated spending policy.

Current spending (for grant making and operating support) for fiscal years 2025 and 2024 has been set at 5% of the previous 20 quarters' average market values of fund balance, subject to a floor of 4% and a ceiling of 5.5% of the fund balance determined as of June 30, 2025 and 2024, respectively.

Note 9 - Leases

The Foundation leases buildings and office equipment used in its operations. All contracts that implicitly or explicitly involve property, plant and equipment are evaluated to determine whether they are or contain a lease.

At lease commencement, the Foundation recognized a lease liability, which is measured at the present value of future lease payments, and a corresponding right-of-use asset equal to the lease liability, adjusted for prepaid lease costs, initial direct costs and lease incentives. The Foundation has selected and applied the practical expedient available to lessees to combine non-lease components with their related lease components and account for them as a single combined lease component for all its leases. The Foundation remeasures lease liabilities and related right-of-use assets whenever there is a change to the lease term and/or there is a change in the amount of future lease payments, but only when such modifications do not qualify to be accounted for as a separate contract.

The Foundation determined an appropriate discount rate to apply when determining the present value of the remaining lease payments for purposes of measuring or remeasuring lease liabilities. As the rate implicit in the lease is generally not readily determinable, the Foundation estimated its incremental borrowing rate as the discount rate. The Foundation's incremental borrowing rate, which is determined at either lease commencement or when a lease liability is remeasured, is an estimate of the interest rate it would pay on a collateralized borrowing, for an amount equal to the amount and currency of denomination of the lease payments, over a period commensurate with the lease term and in a similar economic environment.

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

For accounting purposes, the Foundation's leases commence on the earlier of (i) the date upon which the Organizations obtain control of the underlying asset and (ii) the contractual effective date of a lease. Lease commencement for most of the Foundation's leases coincides with the contractual effective date. The Organizations' leases generally have minimum base terms with renewal options or fixed terms with early termination options. Such renewal and early termination options are exercisable at the option of the Organizations and, when exercised, usually provide for rental payments during the extension period at then current market rates or at pre-determined rental amounts.

Unless the Foundation determines that it is reasonably certain that the term of a lease will be extended, such as through the exercise of a renewal option or non-exercise of an early termination option, the term of a lease begins at lease commencement and spans for the duration of the minimum non-cancellable contractual term. When the exercise of a renewal option or non-exercise of an early termination option is reasonably certain, the lease term is measured as ending at the end of the renewal period or on the date an early termination may be exercised.

The Foundation includes variable rental payments based on a rate or an index such as the Consumer Price Index (CPI) in its measurement of lease payments based on the rate or index in effect at lease commencement. Other types of variable lease payments are expensed as incurred.

Leases involving real estate

The lease of office space has a lease term through April 2026. Rent is fixed through the end of the lease term. These terms have been incorporated into the measurement of the related right-of-use assets and lease liabilities. The real estate lease requires reimbursement of common area charges that are expensed as incurred.

Financial information

The following provides information about the Foundation's right-of-use assets and lease liabilities for its operating leases:

<u>Statement of financial position classification</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Right-of-use assets		
Operating leases	\$ 29,028	\$ 62,964
Lease liabilities		
Operating leases	29,028	62,964

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

The components of the Foundation's operating leases costs for the years ended June 30, 2025 and 2024 are as follows:

	<u>Statement of functional expenses classification</u>	<u>2025</u>	<u>2024</u>
Rent expense	Occupancy, office expense	\$ 35,290	\$ 37,014
Variable rent	Occupancy	<u>18,819</u>	<u>17,300</u>
Total lease costs		<u>\$ 54,109</u>	<u>\$ 54,314</u>

The weighted average remaining lease term and weighted average discount rate for the Foundation's leases are as follows as of June 30, 2025:

Weighted Average remaining term (in years)	
Operating leases	0.8 years
Weighted average discount rate	
Operating leases	2.85%

Supplemental cash flow information related to the Foundation's leases for the years ended June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating leases	\$ 35,290	\$ 37,042

The annual maturity analysis of the Foundation's lease liabilities as of June 30, 2025 is as follows:

<u>Year ending June 30,</u>	
2026	<u>\$ 29,408</u>
Total lease payments	29,408
Less interest	<u>(380)</u>
Present value of lease liability	<u>\$ 29,028</u>

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

Note 10 - Split-interest agreements

The Foundation's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts for which the Foundation serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements.

Assets held relating to the split-interest agreements for 2025 and 2024 were \$712,376 and \$442,232, respectively, and are included in investments - marketable securities in the statements of financial position. The liabilities related to the split-interest agreements for 2025 and 2024 were \$388,876 and \$243,343, respectively. See Note 13 for the net assets associated with the split-interest agreements as of June 30, 2025 and 2024.

Contribution revenue for charitable remainder trusts is recognized at the date the agreement is established equal to the fair value of the gift, net of the liability recorded for the present value of the estimated future payments to be made to the respective donors and/or other income beneficiaries using a discount rate of 5% and actuarial tables. The change in the value of the split-interest agreements was (\$141,419) and \$509 for the years ended June 30, 2025 and 2024, respectively.

Note 11 - Life insurance premiums

Included in operating expenses are life insurance premiums paid on life insurance policies for certain policies that the Foundation owns and is named beneficiary. Life insurance premiums were \$44,097 for the years ended June 30, 2025 and 2024.

Note 12 - Custodial funds managed for other charitable organizations

The Foundation holds, administers, and manages certain charitable funds established and owned by various agencies and local synagogues as part of its commingled investment pool. These funds receive additions and make distributions for the sole purpose of supporting the operations of the agencies and synagogues that established them.

Activity in the custodial funds for the years ended June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Custodial funds, beginning	\$ 25,592,932	\$ 29,954,835
Contributions	550,326	1,058,862
Investment return	2,940,653	2,947,313
Distributions	(2,408,360)	(8,114,615)
Administrative expenses	<u>(227,445)</u>	<u>(253,463)</u>
Custodial funds, ending	<u>\$ 26,448,106</u>	<u>\$ 25,592,932</u>

Jewish Community Foundation of Greater Hartford, Inc.

**Notes to Financial Statements
June 30, 2025 and 2024**

At June 30, 2025 and 2024, the Foundation held assets as custodian for the following:

	<u>2025</u>	<u>2024</u>
Anonymous	\$ 4,392,692	\$ 4,252,508
Beth El Temple Cemetery Perpetual Care Fund	913,942	853,055
The Emanuel Synagogue	588,622	618,869
The Endowment Fund of Beth El Temple of West Hartford	8,355,701	7,626,011
B'nai Sholom Cemetery Fund	363,304	327,491
Chabad UCONN Fund	188,383	169,812
Congregation Beth Israel	1,874,499	1,725,660
New England Jewish Academy	309,857	289,857
Hebrew Senior Care	1,069,566	2,227,678
Joyce D. and Andrew J. Mandell Jewish Community Center	2,211,877	2,055,241
Jewish Association for Community Living Auxiliary Fund	15,864	14,300
Jewish Federation of Greater Hartford CSB Reserve Fund	305,632	243,971
Jewish Family Services of Greater Hartford	789,682	738,338
Jewish Historical Society of Greater Hartford	260,790	235,082
JT Connect Custodial Endowment Fund	45,321	40,853
Solomon Schechter Day School	473,543	441,646
Temple Beth El Stamford	3,878,782	3,362,933
University of Connecticut Hillel	349,612	315,148
Young Israel of West Hartford Endowment Fund	60,437	54,479
	<u>\$ 26,448,106</u>	<u>\$ 25,592,932</u>

Note 13 - Net assets with donor restrictions

Net assets with donor restrictions include charitable remainder trusts (assets, net of liabilities, which are time-restricted). Net assets with donor restrictions consist of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Split-interest agreements (Note 10)	<u>\$ 323,916</u>	<u>\$ 198,897</u>

Note 14 - Related party transactions

The Jewish Community Foundation was established as the Endowment Foundation of the Jewish Federation of Greater Hartford, Inc. ("Federation") in 1972. In 1993, the Foundation became an independent nonprofit entity with its own Board of Trustees. The bylaws of the Foundation continue to require that a percentage of the Board members of the Foundation be current or former directors, trustees, or members of committees or task forces of the Federation upon their initial election to the Board, regardless of whether they continue to hold a role at the Federation during their service. The Foundation awarded grants to the Federation of approximately \$1,590,000 and \$2,580,000 for the years ended June 30, 2025 and 2024, respectively. Outstanding grants payable to the Federation at June 30, 2025 and 2024 were \$81,000 and \$35,000, respectively.

Jewish Community Foundation of Greater Hartford, Inc.

Notes to Financial Statements June 30, 2025 and 2024

Members of the Board of Trustees of the Foundation serve in a volunteer capacity. They oversee the Foundation's development activities and make charitable contributions to the Foundation. Contributions received from or on behalf of individual trustees were approximately \$992,000 and \$567,000 for the years ended June 30, 2025 and 2024, respectively.

During the year, grants have been approved and disbursed to charitable organizations in which some members of the Board of Trustees may be involved through board or committee service or volunteer advisory relationships. It is the Foundation's policy to have each trustee disclose potential conflicts of interest and abstain from voting and discussion where appropriate. Community grants to those organizations, including the Federation, were \$150,000 and \$391,726 for the years ended June 30, 2025 and 2024, respectively.

The Foundation has entered into a lease arrangement with the Federation for the use of office space. The lease arrangement provides for a monthly payment of \$2,941 and an annual amount for common charges (\$18,819 in 2025 and \$17,300 in 2024). See Note 9.

Pursuant to a shared services agreement, the Foundation reimbursed the Federation at cost for specific operating expenses of \$31,921 for the year ended June 30, 2025 and \$42,442 for the year ended June 30, 2024.

The Foundation administers funds for the benefit of the Federation. The balance of the funds at June 30, 2025 and 2024 was approximately \$20,250,000 and \$18,770,000, respectively. A committee consisting of Federation and Foundation representatives is responsible for reviewing capital maintenance and equipment funding requests, making grant recommendations, and overseeing the administration of the grants. At June 30, 2025 and 2024, respectively, the Foundation holds investments in a custodial account in the amount of \$305,631 and \$243,972, respectively.

Note 15 - Retirement plan

The Foundation offers a Section 403(b) defined contribution salary deferral plan, which covers substantially all employees. The Foundation matches a portion of the employees' contributions based upon years of service. For the years ended June 30, 2025 and 2024, the pension expense was \$23,472 and \$34,696, respectively.

Note 16 - Concentrations

Off balance sheet risk

The Foundation places its temporary cash investments with high credit quality financial institutions. At times, such investments may exceed federally insured limits. As of June 30, 2025 and 2024, the Foundation's uninsured cash balances are not material.

Investments

The Foundation maintains accounts with several brokerage firms. The accounts contain cash, marketable securities, which are insured by the Securities Investor Protection Corporation ("SIPC"), and non-marketable securities not insured by SIPC. The Foundation's investments include a diversified portfolio of marketable and non-marketable securities managed by professional investment advisors, designed to minimize market concentration risks.

Gifts and bequests

During the year ended June 30, 2025, one Donor's contribution accounted for 49% of the total gifts and bequests. During 2024, there were no donors whose donations accounted for more than 10% of the total gifts and bequests.



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