

**THE ASSOCIATED JEWISH COMMUNITY
FEDERATION OF BALTIMORE,,
ASSOCIATED JEWISH CHARITIES OF BALTIMORE,
JEWISH COMMUNITY INVESTMENT FUND,
AND SUPPORT FOUNDATIONS
(THE ASSOCIATED)**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2023 AND 2022



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**THE ASSOCIATED
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2023 AND 2022**

INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	4
CONSOLIDATED STATEMENTS OF ACTIVITIES	6
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES	8
CONSOLIDATED STATEMENTS OF CASH FLOWS	10
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	11
SUPPLEMENTARY INFORMATION	
CONSOLIDATING STATEMENT OF FINANCIAL POSITION BY INTERNAL FUND	31
CONSOLIDATING STATEMENT OF ACTIVITIES BY INTERNAL FUND	32
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – WITHOUT DONOR RESTRICTIONS (BY INTERNAL FUND)	33
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – WITH DONOR RESTRICTIONS (BY INTERNAL FUND)	34
CONSOLIDATING STATEMENT OF ACTIVITIES – WITHOUT DONOR RESTRICTIONS (BY INTERNAL FUND)	35
CONSOLIDATING STATEMENT OF ACTIVITIES – WITH DONOR RESTRICTIONS (BY INTERNAL FUND)	36



INDEPENDENT AUDITORS' REPORT

Board of Governors
The Associated Jewish Community Federation of Baltimore,,
Associated Jewish Charities of Baltimore,
Jewish Community Investment Fund, and
Support Foundations
Baltimore, Maryland

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Associated Jewish Community Federation of Baltimore,, Associated Jewish Charities of Baltimore, Jewish Community Investment Fund, and Support Foundations (collectively referred to as The Associated), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Associated as of June 30, 2023 and 2022, and the changes in their net assets and their 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of The Associated and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Board of Governors
The Associated Jewish Community Federation of Baltimore,,
Associated Jewish Charities of Baltimore,
Jewish Community Investment Fund, and
Support Foundations

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

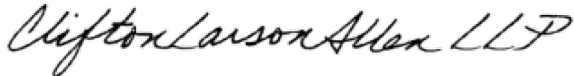
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures 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 Associated'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 Associated'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.

Board of Governors
The Associated Jewish Community Federation of Baltimore,,
Associated Jewish Charities of Baltimore,
Jewish Community Investment Fund, and
Support Foundations

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the 2023 and 2022 consolidated financial statements as a whole. The 2023 supplementary information is presented for purposes of additional analysis and is 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.



CliftonLarsonAllen LLP

Baltimore, Maryland
December 18, 2023

**THE ASSOCIATED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
ASSETS				
	<i>(In Thousands)</i>			
Cash and Cash Equivalents	\$ 7,479	\$ (85)	\$ 7,394	\$ 9,195
Promises to Give:				
Annual Campaign, Net	-	19,931	19,931	12,319
Capital Campaign, Net	-	2,682	2,682	2,914
Centennial Campaign, Net	-	7,707	7,707	11,096
Other Campaigns, Net	-	3,101	3,101	2,218
Notes and Other Receivables	2,473	292	2,765	2,939
Other Assets	5,408	-	5,408	5,230
Due (to) from Other Funds	(19,527)	19,527	-	-
Total	(4,167)	53,155	48,988	45,911
INVESTMENTS				
Investment in Jewish Community Investment Fund	725,270	83,217	808,487	782,172
Funds on Behalf of Others	(383,166)	-	(383,166)	(352,803)
Equity in Jewish Community Investment Fund	342,104	83,217	425,321	429,369
Short-Term Fund	3,791	5,006	8,797	4,101
Other Investments	129,782	1,421	131,203	124,688
Funds Held in Irrevocable Trusts	-	10,889	10,889	10,710
Total Investments	475,677	100,533	576,210	568,868
PROPERTY AND EQUIPMENT, NET	40,500	-	40,500	41,533
Total Assets	\$ 512,010	\$ 153,688	\$ 665,698	\$ 656,312
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts Payable - Trade	\$ 3,618	\$ -	\$ 3,618	\$ 3,288
Accounts Payable - Agencies	173	-	173	28
Loans Payable	5,000	-	5,000	5,025
Bonds Payable, Net	6,477	-	6,477	7,403
Other Liabilities	4,085	5,359	9,444	7,320
Total Liabilities	19,353	5,359	24,712	23,064
NET ASSETS	492,657	148,329	640,986	633,248
Total Liabilities and Net Assets	\$ 512,010	\$ 153,688	\$ 665,698	\$ 656,312

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	2022 Total
ASSETS			
		<i>(In Thousands)</i>	
Cash and Cash Equivalents	\$ 8,835	\$ 360	\$ 9,195
Promises to Give:			
Annual Campaign, Net	-	12,319	12,319
Capital Campaign, Net	-	2,914	2,914
Centennial Campaign, Net	-	11,096	11,096
Other Campaigns, Net	-	2,218	2,218
Notes and Other Receivables	2,574	365	2,939
Other Assets	2,692	2,538	5,230
Due (to) from Other Funds	(19,630)	19,630	-
Total	(5,529)	51,440	45,911
INVESTMENTS			
Investment in Jewish Community Investment Fund	701,054	81,118	782,172
Funds on Behalf of Others	(352,803)	-	(352,803)
Equity in Jewish Community Investment Fund	348,251	81,118	429,369
Short-Term Fund	4,101	-	4,101
Other Investments	123,136	1,552	124,688
Funds Held in Irrevocable Trusts	-	10,710	10,710
Total Investments	475,488	93,380	568,868
PROPERTY AND EQUIPMENT, NET	41,533	-	41,533
Total Assets	\$ 511,492	\$ 144,820	\$ 656,312
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts Payable - Trade	\$ 3,288	\$ -	\$ 3,288
Accounts Payable - Agencies	28	-	28
Loans Payable	5,025	-	5,025
Bonds Payable, Net	7,403	-	7,403
Other Liabilities	3,153	4,167	7,320
Total Liabilities	18,897	4,167	23,064
NET ASSETS	492,595	140,653	633,248
Total Liabilities and Net Assets	\$ 511,492	\$ 144,820	\$ 656,312

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
SUPPORT AND REVENUE		<i>(In Thousands)</i>		
Campaign Promises to Give	\$ -	\$ 26,031	\$ 26,031	\$ 15,850
Supplemental Operating Gifts	4,495	4,522	9,017	7,558
Legacies and Gifts	31,996	6,281	38,277	53,871
Funds and Foundations Revenue	1,462	-	1,462	1,040
Investment Administration Fees	230	-	230	198
Agency Infrastructure Cost Share	3,525	-	3,525	3,264
Rent Infrastructure Income	1,826	-	1,826	1,943
Program and Other	1,732	229	1,961	1,710
Net Assets Released from Restrictions	31,087	(31,087)	-	-
Total Support and Revenue	<u>76,353</u>	<u>5,976</u>	<u>82,329</u>	<u>85,434</u>
EXPENSES AND LOSSES				
Program Services	100,279	-	100,279	97,061
General and Administrative	1,846	-	1,846	1,755
Fundraising	6,249	-	6,249	5,617
Total Expenses and Losses	<u>108,374</u>	<u>-</u>	<u>108,374</u>	<u>104,433</u>
CHANGE IN NET ASSETS FROM OPERATIONS	(32,021)	5,976	(26,045)	(18,999)
NONOPERATING INCOME (EXPENSE)				
Net Appreciation (Depreciation) in Fair Value of Investments	29,996	4,418	34,414	(87,450)
Interest Expense	(291)	-	(291)	(142)
Gain on Sale of Property	260	-	260	6
Other Nonoperating Revenue	1,955	(2,555)	(600)	(263)
Transfers	163	(163)	-	-
Total Nonoperating Income (Expense), Net	<u>32,083</u>	<u>1,700</u>	<u>33,783</u>	<u>(87,849)</u>
CHANGE IN NET ASSETS	62	7,676	7,738	(106,848)
Net Assets - Beginning of Year	492,595	140,653	633,248	740,096
NET ASSETS - END OF YEAR	<u>\$ 492,657</u>	<u>\$ 148,329</u>	<u>\$ 640,986</u>	<u>\$ 633,248</u>

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	2022 Total
SUPPORT AND REVENUE		<i>(In Thousands)</i>	
Campaign Promises to Give	\$ -	\$ 15,850	\$ 15,850
Supplemental Operating Gifts	2,784	4,774	7,558
Legacies and Gifts	51,055	2,816	53,871
Funds and Foundations Revenue	1,040	-	1,040
Investment Administration Fees	198	-	198
Agency Infrastructure Cost Share	3,264	-	3,264
Rent Infrastructure Income	1,943	-	1,943
Program and Other	1,162	548	1,710
Net Assets Released from Restrictions	29,171	(29,171)	-
Total Support and Revenue	<u>90,617</u>	<u>(5,183)</u>	<u>85,434</u>
EXPENSES AND LOSSES			
Program Services	97,061	-	97,061
General and Administrative	1,755	-	1,755
Fundraising	5,617	-	5,617
Total Expenses and Losses	<u>104,433</u>	<u>-</u>	<u>104,433</u>
CHANGE IN NET ASSETS FROM OPERATIONS	(13,816)	(5,183)	(18,999)
NONOPERATING INCOME (EXPENSE)			
Net Appreciation (Depreciation) in Fair Value of Investments	(71,546)	(15,904)	(87,450)
Interest Expense	(142)	-	(142)
Gain on Sale of Property	6	-	6
Other Nonoperating Revenue	(263)	-	(263)
Transfers	424	(424)	-
Total Nonoperating Income (Expense), Net	<u>(71,521)</u>	<u>(16,328)</u>	<u>(87,849)</u>
CHANGE IN NET ASSETS	(85,337)	(21,511)	(106,848)
Net Assets - Beginning of Year	<u>577,932</u>	<u>162,164</u>	<u>740,096</u>
NET ASSETS - END OF YEAR	<u>\$ 492,595</u>	<u>\$ 140,653</u>	<u>\$ 633,248</u>

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023**

	Program Services	General and Administrative	Fundraising	2023 Total
OPERATING EXPENSES	<i>(In Thousands)</i>			
Grants and Distributions	\$ 75,578	\$ -	\$ -	\$ 75,578
Compensation	12,982	1,117	3,036	17,135
Staff Related	583	49	136	768
Professional Fees	128	400	32	560
Communications	406	-	174	580
Missions and Campaign Events	-	-	1,461	1,461
Program Events	3,680	-	-	3,680
Building and Other Operations	2,356	203	551	3,110
Depreciation	2,577	-	-	2,577
Security	728	63	170	961
Operating Interest Expense	161	14	38	213
Bad Debt	-	-	651	651
Investment Consulting Fees	1,100	-	-	1,100
	<u>1,100</u>	<u>-</u>	<u>-</u>	<u>1,100</u>
Total Operating Expenses	<u>\$ 100,279</u>	<u>\$ 1,846</u>	<u>\$ 6,249</u>	<u>\$ 108,374</u>

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022**

	Program Services	General and Administrative	Fundraising	2022 Total
OPERATING EXPENSES	<i>(In Thousands)</i>			
Grants and Distributions	\$ 77,940	\$ -	\$ -	\$ 77,940
Compensation	10,267	994	3,023	14,284
Staff Related	434	42	128	604
Professional Fees	46	475	48	569
Communications	320	-	137	457
Missions and Campaign Events	-	-	659	659
Program Events	2,024	-	-	2,024
Building and Other Operations	1,834	177	540	2,551
Depreciation	2,580	-	-	2,580
Security	659	64	194	917
Operating Interest Expense	32	3	9	44
Bad Debt	-	-	879	879
Investment Consulting Fees	925	-	-	925
	<u>925</u>	<u>-</u>	<u>-</u>	<u>925</u>
Total Operating Expenses	<u>\$ 97,061</u>	<u>\$ 1,755</u>	<u>\$ 5,617</u>	<u>\$ 104,433</u>

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
	<i>(In Thousands)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 7,738	\$ (106,848)
Adjustments to Reconcile Change in Net assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,577	2,580
Realized/Unrealized Gain on Operating Investments	(34,414)	87,450
Gain on Sale of Property and Equipment	(260)	(6)
Change in Beneficial Interests in Assets Held by Others	(178)	1,310
(Increase) Decrease in Assets:		
Accounts Receivable, Net	170	(830)
Promises to Give, Net	(4,873)	3,877
Prepaid Expenses and Other Assets	(179)	215
Increase (Decrease) in Liabilities:		
Accounts Payable	437	(1,865)
Other Liabilities	2,162	440
Net Cash Used by Operating Activities	(26,820)	(13,677)
CASH FLOWS FROM INVESTING ACTIVITIES		
Distributions from Jewish Community Investment Fund	53,598	61,963
Additions to Jewish Community Investment Fund	(30,480)	(56,480)
Additions to Short-Term Fund	(11,210)	(3,914)
Distributions from Short-Term Fund	6,750	-
Change in Other investments	8,596	12,829
Purchases of Property and Equipment	(1,544)	(545)
Proceeds from Sale of Real Estate	260	-
Net Cash Provided by Investing Activities	25,970	13,853
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Borrowings (Repayments) Under Line of Credit	(11)	14
Principal Payments on Bonds Payable	(940)	(930)
Net Cash Used by Financing Activities	(951)	(916)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,801)	(740)
Cash and Cash Equivalents- Beginning of Year	9,195	9,935
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 7,394	\$ 9,195
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for Interest	\$ 504	\$ 186

See accompanying Notes to Consolidated Financial Statements.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Associated Jewish Community Federation of Baltimore, (Federation), Associated Jewish Charities of Baltimore (AJCB), Jewish Community Investment Fund (JCIF), and Supporting Foundations (collectively referred to as The Associated) care for the members of the Jewish community in Baltimore, Israel and around the world. The Associated operates in Baltimore, Maryland.

JCIF, formed as a business trust, is organized and is operated exclusively for the commingled investment and reinvestment of assets of the general endowment or other funds of one or more charitable organizations, each of which is exempt from taxation under Section 501(a) of the Internal Revenue Code of 1986.

Supporting Foundations of The Associated are separate legal entities controlled by The Associated and formed to support The Associated. Distributions from these funds are determined by the board of directors of the respective foundation.

Basis of Accounting

The accompanying consolidated financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred. All amounts hereinafter are in thousands.

Principles of Consolidation

The consolidated financial statements include the accounts of The Associated, but do not include the accounts of the constituent agencies of The Associated or of other unrelated organizations investing in the JCIF. Significant intercompany amounts have been eliminated in consolidation.

Operating Measure

All income and expense items related to the ongoing activities of The Associated in carrying out its mission are netted and shown as change in net assets from operations. Nonoperating income and expense items relates to investment and capital financing activities that are subject to external factors and/or items that are infrequent and unusual in nature.

Net Asset Classification

The consolidated financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) regarding financial statements of nonprofit organizations. Under these requirements, The Associated is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Net Asset Classification (Continued)

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The components of net assets by entity are as follows at June 30:

<u>June 30, 2023</u>	<u>Without Donor Restriction</u>	<u>With Donor Restrictions</u>	<u>Total</u>
		<i>(In Thousands)</i>	
Net Assets (Deficit):			
The Associated: Jewish Community Federation of Baltimore, Inc.	\$ (12,431)	\$ 44,895	\$ 32,464
Associated Jewish Charities of Baltimore	65,014	20,217	85,231
Jewish Community Investment Fund	231,555	83,217	314,772
Support Foundations	208,519	-	208,519
Total Net Assets	<u>\$ 492,657</u>	<u>\$ 148,329</u>	<u>\$ 640,986</u>
 <u>June 30, 2022</u>			
Net Assets (Deficit):			
The Associated: Jewish Community Federation of Baltimore, Inc.	\$ (11,981)	\$ 40,935	\$ 28,954
Associated Jewish Charities of Baltimore	64,129	18,600	82,729
Jewish Community Investment Fund	233,848	81,118	314,966
Support Foundations	206,599	-	206,599
Total Net Assets	<u>\$ 492,595</u>	<u>\$ 140,653</u>	<u>\$ 633,248</u>

Cash and Cash Equivalents

The Associated considers certain investments with an original maturity of three months or less to be cash equivalents. Unrestricted cash includes an unemployment escrow account for which the minimum balance is regulated by the State of Maryland Department of Labor, Licensing, and Regulation. The balance in this account at June 30, 2023 and 2022 was \$497 and \$514, respectively.

Credit Risk

The Associated has depository operations with various brokers. In the event this counterparty does not fulfill its obligations, The Associated may be exposed to risk. This risk of default depends on the creditworthiness of the counterparty. The Associated attempts to minimize this credit risk by monitoring the creditworthiness of the clearing broker.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Promises to Give

The Associated records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in revenue in the consolidated statements of activities.

The Associated uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific receivables.

Other Assets

Other assets represent various prepaid expenses and life insurance policies.

Investments

Investments are reflected at fair value. To adjust the carrying value of these investments, the change in fair value is reflected on the consolidated statements of activities.

Equity in Jewish Community Investment Fund

The Associated and its constituent agencies have commingled their investments in a fund known as the JCIF which is managed by the AJCB. Investments of the JCIF, other than limited partnership interests, are under custodial agreements with a financial institution. Gains and losses on sales of investments and income earned on investments are allocated monthly to each agency or entity based on the individual agency's or entity's share of fair value to the fair value of the total JCIF.

Assets held in the JCIF from nonprofit organizations like constituent agencies, Jewish day schools, synagogues and other organizations are liabilities to the JCIF and are reflected as contra-assets on the consolidated statements of financial position. Total assets held in the JCIF were \$808,486 and \$782,172, respectively, as of June 30, 2023 and 2022. The liabilities associated with these funds held on behalf of others were \$383,166 and \$352,803 as of June 30, 2023 and 2022, respectively.

The JCIF held interests in 48 limited partnerships at both June 30, 2023 and 2022. The majority of the limited partnerships are audited at December 31 of each year, with others audited at June 30 of each year. For the limited partnerships audited at December 31, interim valuations are prepared at June 30 of each year. The partnerships invest in a wide array of investment vehicles including common stock, restricted investments, bonds, futures contracts, foreign currency contracts, reverse repurchase agreements, written options, and other investment derivatives. Certain of these investment vehicles include an inherently higher degree of risk than others. The Investment Management Committees of AJCB regularly review the progress and valuation of these interests.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Equity in Jewish Community Investment Fund (Continued)

Note 3 contains information on the composition and fair value measurements of the JCIF investments.

Investment Risk

The Associated invests in a professionally managed portfolio that contains common shares and bonds of publicly traded and privately-owned companies, U.S. Government obligations, mutual funds, private equity funds, hedge funds, limited partnerships, and money market funds. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the schedules.

Market risk arises primarily from changes in market value of financial instruments. Theoretically, The Associated's exposure is equal to the value of the investments purchased. Exposure to market risk is influenced by a number of factors, including the relationship between financial instruments, and the volatility and liquidity in the markets in which the financial instruments are traded. The Associated attempts to control its exposure to market risk through various analytically monitoring techniques.

Charitable Gift Annuities

Under charitable gift annuity contracts, The Associated receives immediate and unrestricted title to contributed assets and agree to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution without donor restrictions. In subsequent years, the liability for future payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income. The Associated records the present value of the remainder interest discounted at a rate of 4.2% and 3.6% for 2023 and 2022, respectively.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Charitable Trusts

The Associated acts as trustee for various irrevocable trusts. These trusts are governed by the respective trust agreements, which generally provide for either an income stream or a future distribution of cash or other assets to us, in whole or in part, for a specified period or upon the occurrence of a specific event, respectively. The trust assets are recorded at fair value, and a related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the trust liability is recorded as a contribution with donor restrictions until such amount is received via trust distribution or is expended in satisfaction of the donor-restricted purpose stipulated by the trust agreement, or both, if any. At that time, net assets with donor-imposed time or purpose restrictions are released to net assets without restrictions, and net assets with donor restrictions that are perpetual in nature are transferred to the endowment. In subsequent years, the liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the trust, the remaining liability is removed and recognized as income.

Property and Equipment

Property and equipment additions over \$50,000 at cost, or if donated, at fair value on the date of donation are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. For buildings and improvements, the estimated useful life is 5 to 50 years, and for equipment and furniture, the estimated useful life is 3 to 20 years. When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any resulting gain or loss is included in the consolidated statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Valuation of Long-Lived Assets

The Associated reviews the valuation of long-lived assets and certain identifiable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities 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 and those differences could be material.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Income Tax Status

The Federation, AJCB, and Supporting Foundations are generally exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, the Federation, AJCB and the Supporting Foundations qualify for charitable contributions deductions under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations under Section 509(a)(1). Income, which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes.

JCIF taxable income or loss is reported by the beneficiaries of JCIF individually and, accordingly, no income taxes have been provided for in the consolidated financial statements. JCIF files tax returns, separate from AJCB, as prescribed by the tax laws of the jurisdictions in which it operates.

The Associated follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, The Associated may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. Management has evaluated The Associated's tax positions and has concluded that The Associated has taken no uncertain tax positions that require disclosure. Generally, The Associated is no longer subject to income tax examinations by the U.S. federal, state, or local authorities for years before 2020.

Revenue and Revenue Recognition

Revenue is recognized when earned. Investment administrative fees, infrastructure income and program and other income received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Appropriations

The Associated budgets annual appropriations to most constituent agencies, supported programs and the Jewish Federation of North America. Appropriations were \$28,893 and \$30,847 for the years ended June 30, 2023 and 2022, respectively, and are included in grants and distributions expense on the consolidated statements of functional expenses. Appropriations payable were \$172 and \$28 at June 30, 2023 and 2022, respectively, and are included in accounts payable – agencies on the consolidated statements of financial position.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Supporting expenses include those expenses that are not directly identifiable with any specific function, but which provide for the overall support and direction of The Associated. The costs of providing various program and supporting activities have been presented on a detailed functional basis in the statements of functional expenses. The statements of functional expenses presents expenses on a full allocation basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, certain costs have been allocated among program and supporting services benefited. All other costs are charged directly to the appropriate program. Expenses that are attributed to more than one program or supporting function are allocated consistently based on the following:

Compensation, staff-related, building, and other operations and operating interest expense were allocated based on management's calculation of full-time employee equivalents and management's estimate of time and effort for employees within each department.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the consolidated statements of financial position. The most prominent of the changes in the standard is the recognition of a ROU assets and lease liabilities by lessees for those leases classified as operating leases.

The Association adopted the requirements of the guidance effective July 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption. In addition, The Associated has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred and these leases are not included as lease liabilities or ROU assets on the consolidated statements of financial position.

The Associated has no material long-term leases or month-to-month rentals. Therefore, the standard had minimum impact on the consolidated statements of financial position, consolidated statements of activities, and consolidated statements of cash flows.

Subsequent Events

The Associated evaluated subsequent events for potential required disclosures through December 18, 2023, which is the date the consolidated financial statements were issued.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 2 LIQUIDITY AND AVAILABILITY

The Associated is supported primarily by donor contributions through their various fundraising campaigns and through investment and endowment generated income. Additionally, The Associated has a line of credit, in which approximately \$16,000 was still available to be drawn for general use as of June 30, 2023 and 2022.

The Associated endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The Associated board-designated endowment of \$61,055 and \$59,949 for 2023 and 2022, respectively is subject to an annual spending rate of 5% as described in Note 4. Although The Associated does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of our Board's annual budget approval and appropriation), these amounts could be made available if necessary.

Financial assets available to meet cash needs for general expenditures within one year as of June 30 are as follows:

	2023	2022
	<i>(In Thousands)</i>	
Cash and Cash Equivalents	\$ 7,479	\$ 8,835
Notes and Other Receivables	2,473	2,574
Investment in Jewish Community Investment Fund	725,270	701,054
Other Investments	129,782	123,136
Total Financial Assets	<u>865,004</u>	<u>835,599</u>
Less:		
Board-Designated Endowments	(61,055)	(59,949)
Investments Restricted to Liquidation	(22,581)	(22,208)
Funds Held on Behalf of Others	(383,166)	(352,803)
Donor-Advised Funds	(193,327)	(196,494)
Supporting Foundation Funds	(208,557)	(206,635)
Notes and Other Receivables Payable in More than One Year	(410)	(535)
Add:		
Approved Donor Restricted Endowment Draw	3,951	3,951
Annual Campaign Contributions Receivable for Expenditure	20,273	16,383
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 20,132</u>	<u>\$ 17,309</u>

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE MEASUREMENTS

The Associated follows the Financial Accounting Standards Board (FASB) authoritative guidance regarding accounting for fair value measurements. The guidance defines fair value as 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 and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under the guidance as assumptions that market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy under the guidance are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Listed equities and holdings in mutual funds are the types of investments included in Level 1. Investments in securities traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported sales price on the day of valuation.

Level 2 – Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate loans, less liquid, restricted equity securities and certain real estate, corporate bonds, government obligations and over-the-counter derivatives. A significant adjustment to Level 2 input could result in a reclassification to a Level 3 measurement.

Level 3 – Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation as described below.

In some cases, the inputs used to measure the fair value might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents The Associated's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30:

<u>June 30, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<i>(In Thousands)</i>			
State of Israel Bonds (Value at Maturity)	\$ -	\$ 6,459	\$ -	\$ 6,459
Domestic Equities	75,512	-	-	75,512
Fixed Income	8,596	-	-	8,596
Other Investments	81	-	1,742	1,823
Real Estate Assets	-	13,755	-	13,755
Other Investments at Fair Value	84,189	20,214	1,742	106,145
Cash and Cash Equivalents				3,552
Alternative Investments Measured at NAV (or Equivalent) (a)				30,303
Total Other Investments				140,000
Funds Held in Irrevocable Trusts:				
Equities	7,720	-	-	7,720
Fixed Income	2,477	-	-	2,477
Funds Held in Irrevocable Trusts at Fair Value	10,197	-	-	10,197
Cash and Cash Equivalents				692
Total Funds Held in Irrevocable Trusts				10,889
JCIF at Fair Value:				
Money Market Funds	8,471	-	-	8,471
Mutual Funds:				
Fixed Income	17,770	-	-	17,770
Domestic Growth	70,858	-	-	70,858
Equities:				
Consumer Discretionary	7,925	-	-	7,925
Consumer Staples	1,635	-	-	1,635
Energy	2,429	-	-	2,429
Financial Services	10,994	-	-	10,994
Health Care	2,612	-	-	2,612
Industrials	12,756	-	-	12,756
Information Technology	2,915	-	-	2,915
Materials	1,538	-	-	1,538
Communication Services	7,831	-	-	7,831
Real Estate	797	-	-	797
Fixed Income:				
Corporate	-	64,351	-	64,351
JCIF at Fair Value	148,531	64,351	-	212,882
Alternative Investments Measured at NAV (or Equivalent) (a)				595,605
Less: Fund Held on the Behalf of Others				(383,166)
Total Investment in the JCIF				425,321
Total Investments	<u>\$ 242,917</u>	<u>\$ 84,565</u>	<u>\$ 1,742</u>	<u>\$ 576,210</u>

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

<u>June 30, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<i>(In Thousands)</i>			
State of Israel Bonds (Value at Maturity)	\$ -	\$ 6,018	\$ -	\$ 6,018
Domestic Equities	61,829	-	-	61,829
Fixed Income - Treasury Bonds	7,742	-	-	7,742
Other Investments	4,760	-	1,642	6,402
Real Estate Assets	-	13,568	-	13,568
Other Investments at Fair Value	74,331	19,586	1,642	95,559
Cash and Cash Equivalents				3,276
Alternative Investments Measured at NAV (or Equivalent) (a)				29,954
Total Other Investments				128,789
Funds Held in Irrevocable Trusts:				
Equities	7,134	-	-	7,134
Fixed Income	2,852	-	-	2,852
Funds Held in Irrevocable Trusts at Fair Value	9,986	-	-	9,986
Cash and Cash Equivalents				724
Total Funds Held in Irrevocable Trusts				10,710
JCIF at Fair Value:				
Money Market Funds	32,786	-	-	32,786
Mutual Funds:				
Fixed Income	22,740	-	-	22,740
Domestic Growth	47,677	-	-	47,677
Equities:				
Consumer Discretionary	7,814	-	-	7,814
Consumer Staples	1,541	-	-	1,541
Energy	210	-	-	210
Financial Services	9,442	-	-	9,442
Health Care	3,079	-	-	3,079
Industrials	9,710	-	-	9,710
Information Technology	4,544	-	-	4,544
Materials	1,060	-	-	1,060
Communication Services	6,396	-	-	6,396
Fixed Income:				
Corporate	-	62,749	-	62,749
JCIF at Fair Value	146,999	62,749	-	209,748
Alternative Investments Measured at NAV (or Equivalent) (a)				572,424
Less: Fund Held on the Behalf of Others				(352,803)
Total Investment in the JCIF				429,369
Total Investments	\$ 231,316	\$ 82,335	\$ 1,642	\$ 568,868

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

(a) The Associated used net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of investments, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statement of financial position.

Investments in certain entities that are measured at fair value using NAV per share as a practical expedient are as follows as of June 30:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<u>June 30, 2023</u> <i>(In Thousands)</i>				
Multi-Strategy Hedge Funds (a)	\$ 134,931	\$ -	Monthly - Quarterly	30 - 90 Days
Equity Long/Short Funds (b)	133,108	-	Monthly - Quarterly	30 - 60 Days
Global Opportunity Funds (c)	170,871	-	Monthly - Quarterly	6 - 45 Days
Private Equity and Venture Capital Funds (d)	177,335	28,922	None	N/A
Equity in Private Companies (e)	9,663	-	None	N/A
Total	<u>\$ 625,908</u>	<u>\$ 28,922</u>		
<u>June 30, 2022</u> <i>(In Thousands)</i>				
Multi-Strategy Hedge Funds (a)	\$ 119,529	\$ -	Monthly - Quarterly	30 - 90 Days
Equity Long/Short Funds (b)	112,631	-	Monthly - Quarterly	30 - 60 Days
Global Opportunity Funds (c)	165,699	-	Monthly - Quarterly	6 - 45 Days
Private Equity and Venture Capital Funds (d)	195,054	26,014	None	N/A
Equity in Private Companies (e)	9,465	-	None	N/A
Total	<u>\$ 602,378</u>	<u>\$ 26,014</u>		

(a) This category includes funds that employ hedging strategies to diversify risk and reduce volatility and may invest in various equity and bond securities to profit from economic, political, and government-driven events. The investment objective is to invest in a diversified portfolio in order to achieve above-average returns while seeking to minimize risk.

(b) This category includes an investment in a fund that invests both long and short in various domestic and international common stocks and commodities futures contracts. Management of the fund has the ability to shift from value to growth strategies, from small to large capitalization stocks, and from a net short position to a net long position. The investment objective is to invest in a diversified portfolio in order to achieve above-average returns while seeking to minimize risk.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

- (c) This category includes investments in managers that hold the majority of the funds' investments in global common stocks, debt instruments and diversified currencies. The investment objective is to invest in a diversified global portfolio in order to achieve above-average returns while seeking to minimize risk.
- (d) This category includes private equity and venture capital funds. These investments can never be redeemed from the underlying funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund. The investment objective is to invest in a diversified portfolio in order to achieve above-average returns in an asset class that is uncorrelated to the equity markets. As of June 30, 2023, it is probable that the investments in this category will be liquidated at an amount different from the NAV of The Associated's ownership interest in partners' capital. The Associated uses the NAV of the underlying partnership investments as reported by the respective partnership investment managers. It is estimated that the majority of the underlying assets of the funds would be liquidated over five to eight years.
- (e) This category includes equity in private companies that are invested in rental real estate properties.

NOTE 4 ENDOWMENTS

The endowment consists of individual funds established by donors to provide annual funding for specific activities and general operations. The endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Governors.

Interpretation of Relevant Law

The Board of Governors of The Associated has interpreted the state of Maryland's enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, The Associated classifies as endowment net assets: (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions, until those amounts are appropriated for expenditure by The Associated in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, The Associated considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of The Associated and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of The Associated
- The investment policies of The Associated

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 4 ENDOWMENTS (CONTINUED)

Return Objective and Risk Parameters

The long-term goal of the endowment fund is to achieve appreciation of assets without exposure to undue risk, as defined herein. The portfolio is expected to support desired spending, provide additional growth to cover operating expenses and preserve the purchasing power of the endowment assets over time, net of all fees.

Spending Policy

The current spending policy is calculated upon a 12-quarter trailing average of market value. Unless otherwise directed by a donor, distributions are made in the amount of 5% of the endowment funds.

Endowment Net Asset Composition by Type of Fund

	Without Donor Restriction	With Donor Restrictions	Total
<u>June 30, 2023</u>		<i>(In Thousands)</i>	
Donor-Restricted Endowment Funds	\$ -	\$ 83,217	\$ 83,217
Board-Designated Endowment Funds	61,055	-	61,055
Total	<u>\$ 61,055</u>	<u>\$ 83,217</u>	<u>\$ 144,272</u>
<u>June 30, 2022</u>			
Donor-Restricted Endowment Funds	\$ -	\$ 81,118	\$ 81,118
Board-Designated Endowment Funds	59,949	-	59,949
Total	<u>\$ 59,949</u>	<u>\$ 81,118</u>	<u>\$ 141,067</u>

Changes in Endowment Net Assets

	Without Donor Restriction	With Donor Restrictions	Total
		<i>(In Thousands)</i>	
Endowment Net Assets as of June 30, 2021	\$ 64,183	\$ 98,427	\$ 162,610
Net Investment Income	(10,036)	(14,987)	(25,023)
Contributions	11,905	1,484	13,389
Transfers	(151)	151	-
Appropriation of Endowment Assets for Expenditure	<u>(5,952)</u>	<u>(3,957)</u>	<u>(9,909)</u>
Endowment Net Assets as of June 30, 2022	59,949	81,118	141,067
Net Investment Income	2,643	3,310	5,953
Contributions	2,008	3,301	5,309
Transfers	94	(94)	-
Appropriation of Endowment Assets for Expenditure	<u>(3,639)</u>	<u>(4,418)</u>	<u>(8,057)</u>
Endowment Net Assets as of June 30, 2023	<u>\$ 61,055</u>	<u>\$ 83,217</u>	<u>\$ 144,272</u>

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 4 ENDOWMENTS (CONTINUED)

Changes in Endowment Net Assets (Continued)

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Associated has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At June 30, 2023 and 2022, there were no underwater endowments.

Summary of Funds

A summary of funds in the JCIF are as follows:

	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Without Restriction (a)	\$ 28,678	\$ 28,610
Annual Campaign Endowment Funds (b)	30,048	29,150
Designated Services for Constituent Agencies and Programs (c)	<u>85,546</u>	<u>83,307</u>
Subtotal	144,272	141,067
Donor-Advised Fund (d)	170,500	173,899
Supporting Foundations (e)	<u>110,549</u>	<u>114,403</u>
Total	<u>\$ 425,321</u>	<u>\$ 429,369</u>

- (a) Without restriction, funds are endowment funds gifted to The Associated which are not restricted for use or time by the donor. Distributions from these funds are limited by the Board of Governors to 5% of the average fund balance of the prior 12 quarters as determined each December 31 for the subsequent fiscal year.
- (b) Annual Campaign Endowment (ACE) funds are endowment funds gifted to The Associated which are earmarked for the Annual Campaign. Distributions from these funds are limited to 5% of the average fund balance of the prior 12 quarters as determined each June 30 for the subsequent fiscal year.
- (c) The Designated services for constituent agencies and programs are endowment funds gifted to The Associated which are designated for a field of interest (i.e., to help the elderly), an agency or program. Distributions from these funds are limited to 5% of the average fund balance of the prior 12 quarters as determined each December 31 for the subsequent fiscal year.
- (d) The Associated's Donor-Advised Fund (DAF) program. The assets in the program are owned by The Associated but donors retain the privilege to recommend charitable distributions from the fund to The Associated or other public charities for charitable purposes.
- (e) Supporting Foundations of The Associated are separate legal entities controlled by The Associated and formed to support The Associated. Distributions from these funds are determined by the board of directors of the respective foundation.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 5 PROMISES TO GIVE

As of June 30, 2023 and 2022, contributors have made unconditional promises to give totaling \$36,515 and \$32,828, respectively, on which management has established an allowance for uncollectible promises to give of \$2,552 and \$3,612, respectively, and a discount on promises to give of \$542 and \$669, respectively. Promises to give are classified in the consolidated financial statements on a net basis as follows:

	2023	2022
	<i>(In Thousands)</i>	
Net Assets with Donor Restrictions:		
Annual Campaign	\$ 19,931	\$ 12,319
Capital Campaign	2,682	2,914
Centennial Campaign	7,707	11,096
Other Campaigns	3,101	2,218
Total	\$ 33,421	\$ 28,547

Unconditional promises to give are estimated to be collected as follows as of June 30:

	Annual and Other Campaigns	Capital Campaign	Centennial Campaign	2023 Total	2022
	<i>(In Thousands)</i>				
Within One Year	\$ 20,273	\$ 650	\$ 4,975	\$ 25,898	\$ 23,245
In One to Five Years	4,669	1,466	3,082	9,217	8,019
Over Five Years	150	1,000	250	1,400	1,564
Total	\$ 25,092	\$ 3,116	\$ 8,307	\$ 36,515	\$ 32,828

NOTE 6 NOTES AND OTHER RECEIVABLE

The Associated has community loan pools, which lend funds to its constituent agencies and other community organizations in need of financing. These loans are given on a as needed basis, bear interest from 0% to 3% and have various repayment terms. As of June 30, 2023, the balance on these notes was \$491, before reserves of \$-0-. As of June 30, 2022, the balance on these notes was \$634, before reserves of \$95.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Land, Buildings, and Improvements	\$ 93,002	\$ 91,844
Construction in Progress	946	560
Equipment and Furniture	1,038	1,038
Total	<u>94,986</u>	<u>93,442</u>
Less: Accumulated Depreciation	(54,486)	(51,909)
Property and Equipment, Net	<u>\$ 40,500</u>	<u>\$ 41,533</u>

Substantially all of the property and equipment is leased to constituent agencies of The Associated on an annual basis.

NOTE 8 LOANS AND BONDS PAYABLE

Loans and bonds payable June 30 as of are as follows:

<u>Description</u>	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Colorado Education and Cultural Facilities Authority Revenue Bonds (tax-exempt), fixed interest payable at 3.43% at June 30, 2023 and 2022; due July 1, 2029; subject to certain financial covenants; that were waived for the year ended June 30, 2023, secured by a negative pledge on revenue, on all assets and a parity agreement for any new assets pledged.	\$ 6,505	\$ 7,445
Less: Unamortized Debt Issuance Costs	<u>(28)</u>	<u>(42)</u>
Total Bonds Payable	6,477	7,403
\$100 interest free loan payable semi-annual, due December 31, 2023	-	25
Line of credit \$16,000 available; interest payable 5.75% and 3.43% at June 30, 2023 and 2022, respectively; due May 24, 2024	-	-
Line of credit \$5,000 available; interest payable 4.67% and 1.77% at June 30, 2023 and June 30, 2022, respectively.	<u>5,000</u>	<u>5,000</u>
Total Loans Payable	<u>5,000</u>	<u>5,025</u>
Total	<u>\$ 11,477</u>	<u>\$ 12,428</u>

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 8 LOANS AND BONDS PAYABLE (CONTINUED)

Debt principal maturities relating to the above obligations at June 30, are due in future years as follows:

<u>Year Ending June 30.</u>	<u>Amount</u> <i>(In Thousands)</i>
2024	\$ 5,980
2025	1,015
2026	1,065
2027	1,100
2028	1,150
Thereafter	1,195
Total	<u>11,505</u>
Less: Unamortized Debt Issuance Costs	<u>(28)</u>
Total Obligations	<u><u>\$ 11,477</u></u>

Interest expense totaled \$504 and \$186 for the years ended June 30, 2023 and 2022, respectively.

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2023</u>	<u>2022</u>
	<i>(In Thousands)</i>	
Subject to Expenditure for a Specified Time Period and/or Purpose Restrictions:		
Annual Campaign (Time)	\$ 19,931	\$ 12,319
Capital Campaign (Purpose)	4,214	6,331
Centennial Campaign (Time and Purpose)	7,707	11,096
Annuity Trust Agreements (Time)	7,119	6,787
Supplemental and Other Campaigns (Time and Purpose)	26,141	23,002
Endowments Subject to The Associated's Spending Policy and Appropriation	<u>83,217</u>	<u>81,118</u>
Total Net Assets with Donor Restrictions	<u><u>\$ 148,329</u></u>	<u><u>\$ 140,653</u></u>

Grants – Annual campaign represent revenue which will be released from restriction in the subsequent year.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

For the years ended June 30, net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose of by occurrence of other events specified by donors as follows:

	2023	2022
	<i>(In Thousands)</i>	
Expiration of Time Restrictions	\$ 28,739	\$ 28,703
Satisfaction of Purpose Restrictions:		
General Programs, Including \$125 and \$37 from Maccabee Task Force, Respectively	2,348	468
Total Net Assets Released from Donor Restrictions	\$ 31,087	\$ 29,171

NOTE 10 RETIREMENT PLAN

The Associated contributes to a 401(k) thrift plan (the Plan). Employees normally scheduled to work 18.75 hours or more per week are automatically enrolled in the Plan at a 2% pre-tax deferral rate each month following completion of the eligibility requirement of three months of service. Each year, eligible participants may contribute between 1% and 100% of their annual compensation as defined in the Plan subject to annual limitations in the IRC. Participants may designate some or all of their own contributions as Roth 401(k) contributions. Such contributions, and any activity related to these amounts, will be accounted for separate from the participant's pre-tax contributions. In addition, employees may rollover distributions received from other plans. Participants direct the investment of contributions into various investment options offered by the Plan on a daily basis. The Plan currently offers mutual funds and a common collective trust as investment options for participants.

The Associated may also make a discretionary contribution. Pension expense was \$513 and \$356 for the years ended June 30, 2023 and 2022, respectively.

NOTE 11 SELF-INSURED MEDICAL PLAN

The Associated maintains a self-insured medical plan for the benefit of its employees and those of its constituent agencies. A stop loss policy is in effect, under which The Associated and its constituent agencies loss per individual employee is limited to \$125 and in aggregate to \$5,000 for the years ended June 30, 2023 and 2022. The medical plan is administered through a contractual relationship with an unrelated company. The Associated's expense under the self-insured medical plan amounted to \$1,121 and \$973 for the years ended June 30, 2023 and 2022, respectively.

**THE ASSOCIATED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 12 COMMITMENTS

The Associated has executed a memorandum of understanding (MOU), effective July 1, 2016, with various constituent entities outlining the services provided by The Associated to the constituent agencies. The MOUs outline the type of services provided including real estate, finance/payroll, human resources, information technology, marketing, property management and repairs, investment management and security as well as the agreed upon value to these services. The MOUs create no contractual obligations and automatically renew annually, unless terminated under terms of the agreements.

The Associated has a multi-year employment agreement with its president which provides for salary and benefits.

**THE ASSOCIATED
CONSOLIDATING STATEMENT OF FINANCIAL POSITION BY INTERNAL FUND
JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

ASSETS	<u>Operating</u>	<u>Capital</u>	<u>Trusts</u>	<u>Endowment</u>	<u>DAF</u>	<u>Support Foundations</u>	<u>2023 Total</u>
	<i>(In Thousands)</i>						
Cash and Cash Equivalents	\$ 6,860	\$ 356	\$ -	\$ 50	\$ 2	\$ 126	\$ 7,394
Promises to Give:							
Annual Campaign, Net	19,931	-	-	-	-	-	19,931
Capital Campaign, Net	-	2,682	-	-	-	-	2,682
Centennial Campaign, Net	1,815	-	-	5,892	-	-	7,707
Other Campaigns, Net	3,101	-	-	-	-	-	3,101
Notes and Other Receivables	2,765	-	-	-	-	-	2,765
Other Assets	2,349	2,758	-	-	-	301	5,408
Due (to) from Other Funds	591	(591)	-	-	-	-	-
Total	<u>37,412</u>	<u>5,205</u>	<u>-</u>	<u>5,942</u>	<u>2</u>	<u>427</u>	<u>48,988</u>
INVESTMENTS							
Investment in Jewish Community Investment Fund	-	-	-	144,272	170,500	110,549	425,321
Short-Term Fund	-	-	-	6,498	2,145	154	8,797
Other Investments	9,229	871	-	849	22,827	97,427	131,203
Funds Held in Irrevocable Trusts	-	-	10,889	-	-	-	10,889
Total Investments	<u>9,229</u>	<u>871</u>	<u>10,889</u>	<u>151,619</u>	<u>195,472</u>	<u>208,130</u>	<u>576,210</u>
PROPERTY AND EQUIPMENT, NET	<u>-</u>	<u>40,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,500</u>
Total Assets	<u>\$ 46,641</u>	<u>\$ 46,576</u>	<u>\$ 10,889</u>	<u>\$ 157,561</u>	<u>\$ 195,474</u>	<u>\$ 208,557</u>	<u>\$ 665,698</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts Payable - Trade	\$ 3,500	\$ 80	\$ -	\$ -	\$ -	\$ 38	\$ 3,618
Accounts Payable - Agencies	173	-	-	-	-	-	173
Loans Payable	5,000	-	-	-	-	-	5,000
PPP Loan	-	-	-	-	-	-	-
Bonds Payable, Net	-	6,477	-	-	-	-	6,477
Other Liabilities	5,504	170	3,770	-	-	-	9,444
Total Liabilities	<u>14,177</u>	<u>6,727</u>	<u>3,770</u>	<u>-</u>	<u>-</u>	<u>38</u>	<u>24,712</u>
NET ASSETS	<u>32,464</u>	<u>39,849</u>	<u>7,119</u>	<u>157,561</u>	<u>195,474</u>	<u>208,519</u>	<u>640,986</u>
Total Liabilities and Net Assets	<u>\$ 46,641</u>	<u>\$ 46,576</u>	<u>\$ 10,889</u>	<u>\$ 157,561</u>	<u>\$ 195,474</u>	<u>\$ 208,557</u>	<u>\$ 665,698</u>

**THE ASSOCIATED
CONSOLIDATING STATEMENT OF ACTIVITIES BY INTERNAL FUND
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Operating	Capital	Trusts	Endowment	DAF	Support Foundations	Eliminations	2023 Total
SUPPORT AND REVENUE								
	<i>(In Thousands)</i>							
Campaign Promises to Give	\$ 35,886	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,855)	\$ 26,031
Legacies and Gifts	120	957	20	10,920	18,867	8,681	(1,288)	38,277
Supplemental Operating Gifts	9,357	-	-	-	-	-	(340)	9,017
Endowment Income	4,127	-	-	-	-	-	(4,127)	-
Funds and Foundation Revenue	3,737	-	-	-	-	-	(2,275)	1,462
Investment Administration Fees	230	-	-	-	-	-	-	230
Agency Infrastructure Cost Share	3,525	-	-	-	-	-	-	3,525
Rent Infrastructure Income	1,826	-	-	-	-	-	-	1,826
Program and Other	1,954	7	-	-	-	-	-	1,961
Total Support and Revenue	60,762	964	20	10,920	18,867	8,681	(17,885)	82,329
EXPENSES								
Grants and Distributions	28,894	299	-	9,014	30,284	22,697	(15,610)	75,578
Compensation	16,680	205	-	-	-	250	-	17,135
Staff Related	583	-	-	22	-	163	-	768
Professional Fees	449	3	-	-	-	108	-	560
Communications	579	-	-	-	-	1	-	580
Missions and Campaign Events	1,461	-	-	-	-	-	-	1,461
Program Events	3,486	-	-	-	-	194	-	3,680
Building and Other Operations	2,713	396	-	-	-	1	-	3,110
Depreciation	-	2,577	-	-	-	-	-	2,577
Security	961	-	-	-	-	-	-	961
Operating Interest Expense	213	-	-	-	-	-	-	213
Bad Debt	718	(67)	-	-	-	-	-	651
Investment Consulting Fees	-	-	69	1,141	1,027	1,138	(2,275)	1,100
Total Expenses	56,737	3,413	69	10,177	31,311	24,552	(17,885)	108,374
CHANGE IN NET ASSETS FROM OPERATIONS	4,025	(2,449)	(49)	743	(12,444)	(15,871)	-	(26,045)
NONOPERATING INCOME (EXPENSE)								
Net Appreciation in Fair Value of Investments	(21)	40	381	7,271	8,952	17,791	-	34,414
Interest Expense	-	(291)	-	-	-	-	-	(291)
Gain on Sale of Property	-	260	-	-	-	-	-	260
Other Nonoperating Expense	(494)	(106)	-	-	-	-	-	(600)
Transfers	-	1,576	-	(1,775)	199	-	-	-
Total Nonoperating Income (Expense), Net	(515)	1,479	381	5,496	9,151	17,791	-	33,783
CHANGE IN NET ASSETS	3,510	(970)	332	6,239	(3,293)	1,920	-	7,738
Net Assets - Beginning of Year	28,954	40,819	6,787	151,322	198,767	206,599	-	633,248
NET ASSETS - END OF YEAR	\$ 32,464	\$ 39,849	\$ 7,119	\$ 157,561	\$ 195,474	\$ 208,519	\$ -	\$ 640,986

**THE ASSOCIATED
CONSOLIDATING STATEMENT OF FINANCIAL POSITION –
WITHOUT DONOR RESTRICTIONS (BY INTERNAL FUND)
JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

ASSETS	<u>Operating</u>	<u>Capital</u>	<u>Endowment</u>	<u>DAF</u>	<u>Support Foundations</u>	<u>2023 Total</u>
	<i>(In Thousands)</i>					
Cash and Cash Equivalents	\$ 7,656	\$ (355)	\$ 50	\$ 2	\$ 126	\$ 7,479
Notes and Other Receivables	2,473	-	-	-	-	2,473
Other Assets	2,349	2,758	-	-	301	5,408
Due (to) from Other Funds	(21,550)	2,023	-	-	-	(19,527)
Total	<u>(9,072)</u>	<u>4,426</u>	<u>50</u>	<u>2</u>	<u>427</u>	<u>(4,167)</u>
INVESTMENTS						
Equity in Jewish Community						
Investment Fund	-	-	61,055	170,500	110,549	342,104
Short-Term Fund	-	-	1,492	2,145	154	3,791
Other Investments	9,229	50	249	22,827	97,427	129,782
Total Investments	<u>9,229</u>	<u>50</u>	<u>62,796</u>	<u>195,472</u>	<u>208,130</u>	<u>475,677</u>
PROPERTY AND EQUIPMENT, NET	<u>-</u>	<u>40,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,500</u>
Total Assets	<u>\$ 157</u>	<u>\$ 44,976</u>	<u>\$ 62,846</u>	<u>\$ 195,474</u>	<u>\$ 208,557</u>	<u>\$ 512,010</u>
LIABILITIES AND NET ASSETS						
LIABILITIES						
Accounts Payable - Trade	\$ 3,500	\$ 80	\$ -	\$ -	\$ 38	\$ 3,618
Accounts Payable - Agencies	173	-	-	-	-	173
Loans Payable	5,000	-	-	-	-	5,000
Bonds Payable, Net	-	6,477	-	-	-	6,477
Other Liabilities	3,915	170	-	-	-	4,085
Total Liabilities	<u>12,588</u>	<u>6,727</u>	<u>-</u>	<u>-</u>	<u>38</u>	<u>19,353</u>
NET ASSETS	<u>(12,431)</u>	<u>38,249</u>	<u>62,846</u>	<u>195,474</u>	<u>208,519</u>	<u>492,657</u>
Total Liabilities and Net Assets	<u>\$ 157</u>	<u>\$ 44,976</u>	<u>\$ 62,846</u>	<u>\$ 195,474</u>	<u>\$ 208,557</u>	<u>\$ 512,010</u>

**THE ASSOCIATED
CONSOLIDATING STATEMENT OF FINANCIAL POSITION –
WITH DONOR RESTRICTIONS (BY INTERNAL FUND)
JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

ASSETS	Operating	Capital	Trusts	Endowment	DAF	Support Foundations	2023 Total
				<i>(In Thousands)</i>			
Cash and Cash Equivalents	\$ (796)	\$ 711	\$ -	\$ -	\$ -	\$ -	\$ (85)
Promises to Give:							
Annual Campaign, Net	19,931	-	-	-	-	-	19,931
Capital Campaign, Net	-	2,682	-	-	-	-	2,682
Centennial Campaign, Net	1,815	-	-	5,892	-	-	7,707
Other Campaigns, Net	3,101	-	-	-	-	-	3,101
Notes and Other Receivables	292	-	-	-	-	-	292
Due (to) from Other Funds	22,141	(2,614)	-	-	-	-	19,527
Total	<u>46,484</u>	<u>779</u>	<u>-</u>	<u>5,892</u>	<u>-</u>	<u>-</u>	<u>53,155</u>
INVESTMENTS							
Equity in Jewish Community							
Investment Fund	-	-	-	83,217	-	-	83,217
Short Term Fund	-	-	-	5,006	-	-	5,006
Other Investments	-	821	-	600	-	-	1,421
Funds Held in Irrevocable Trusts	-	-	10,889	-	-	-	10,889
Total Investments	<u>-</u>	<u>821</u>	<u>10,889</u>	<u>88,823</u>	<u>-</u>	<u>-</u>	<u>100,533</u>
Total Assets	<u>\$ 46,484</u>	<u>\$ 1,600</u>	<u>\$ 10,889</u>	<u>\$ 94,715</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,688</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts Payable - Trade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable - Agencies	-	-	-	-	-	-	-
Other Liabilities	1,589	-	3,770	-	-	-	5,359
Total Liabilities	<u>1,589</u>	<u>-</u>	<u>3,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,359</u>
NET ASSETS	<u>44,895</u>	<u>1,600</u>	<u>7,119</u>	<u>94,715</u>	<u>-</u>	<u>-</u>	<u>148,329</u>
Total Liabilities and Net Assets	<u>\$ 46,484</u>	<u>\$ 1,600</u>	<u>\$ 10,889</u>	<u>\$ 94,715</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,688</u>

**THE ASSOCIATED
CONSOLIDATING STATEMENT OF ACTIVITIES –
WITHOUT DONOR RESTRICTIONS (BY INTERNAL FUND)
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Operating	Capital	Trusts	Endowment	DAF	Support Foundations	Eliminations	2023 Total
SUPPORT AND REVENUE								
				<i>(In Thousands)</i>				
Supplemental Operating Gifts	\$ 4,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,495
Legacies and Gifts	7	957	-	4,234	18,867	8,681	(750)	31,996
Endowment Income	4,127	-	-	-	-	-	(4,127)	-
Funds and Foundations Revenue	3,737	-	-	-	-	-	(2,275)	1,462
Agency Infrastructure Cost Share	3,525	-	-	-	-	-	-	3,525
Rent Infrastructure Income	1,826	-	-	-	-	-	-	1,826
Investment Administration Fees	230	-	-	-	-	-	-	230
Program and Other	1,725	7	-	-	-	-	-	1,732
Net Assets Released from Restrictions	36,215	477	69	5,131	(72)	-	(10,733)	31,087
Total Support and Revenue	<u>55,887</u>	<u>1,441</u>	<u>69</u>	<u>9,365</u>	<u>18,795</u>	<u>8,681</u>	<u>(17,885)</u>	<u>76,353</u>
EXPENSES								
Grants and Distributions	28,894	299	-	9,014	30,284	22,697	(15,610)	75,578
Compensation	16,680	205	-	-	-	250	-	17,135
Staff Related	583	-	-	22	-	163	-	768
Professional Fees	449	3	-	-	-	108	-	560
Communications	579	-	-	-	-	1	-	580
Missions and Campaign Events	1,461	-	-	-	-	-	-	1,461
Program Events	3,486	-	-	-	-	194	-	3,680
Building and Other Operations	2,713	396	-	-	-	1	-	3,110
Depreciation	-	2,577	-	-	-	-	-	2,577
Security	961	-	-	-	-	-	-	961
Operating Interest Expense	213	-	-	-	-	-	-	213
Bad Debt	718	(67)	-	-	-	-	-	651
Investment Consulting Fees	-	-	69	1,141	1,027	1,138	(2,275)	1,100
Total Expenses	<u>56,737</u>	<u>3,413</u>	<u>69</u>	<u>10,177</u>	<u>31,311</u>	<u>24,552</u>	<u>(17,885)</u>	<u>108,374</u>
CHANGE IN NET ASSETS FROM OPERATIONS	(850)	(1,972)	-	(812)	(12,516)	(15,871)	-	(32,021)
NONOPERATING INCOME (EXPENSE)								
Net Appreciation (Depreciation) in Fair Value of Investments	(21)	40	-	3,234	8,952	17,791	-	29,996
Interest Expense	-	(291)	-	-	-	-	-	(291)
Gain on Sale of Property	-	260	-	-	-	-	-	260
Other Nonoperating (Expense) Revenue	421	1,534	-	-	-	-	-	1,955
Transfers	-	1,576	-	(1,612)	199	-	-	163
Total Nonoperating Income (Expense), Net	<u>400</u>	<u>3,119</u>	<u>-</u>	<u>1,622</u>	<u>9,151</u>	<u>17,791</u>	<u>-</u>	<u>32,083</u>
CHANGE IN NET ASSETS	(450)	1,147	-	810	(3,365)	1,920	-	62
Net Assets - Beginning of Year	<u>(11,981)</u>	<u>37,102</u>	<u>-</u>	<u>62,036</u>	<u>198,839</u>	<u>206,599</u>	<u>-</u>	<u>492,595</u>
NET ASSETS - END OF YEAR	<u>\$ (12,431)</u>	<u>\$ 38,249</u>	<u>\$ -</u>	<u>\$ 62,846</u>	<u>\$ 195,474</u>	<u>\$ 208,519</u>	<u>\$ -</u>	<u>\$ 492,657</u>

**THE ASSOCIATED
CONSOLIDATING STATEMENT OF ACTIVITIES –
WITH DONOR RESTRICTIONS (BY INTERNAL FUND)
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Operating	Capital	Trusts	Endowment	DAF	Support Foundations	Eliminations	2023 Total
SUPPORT AND REVENUE								
	<i>(In Thousands)</i>							
Campaign Promises to Give	\$ 35,886	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,855)	\$ 26,031
Supplemental Operating Gifts	4,862	-	-	-	-	-	(340)	4,522
Legacies and Gifts	113	-	20	6,686	-	-	(538)	6,281
Program and Other	229	-	-	-	-	-	-	229
Net Assets Released from Restrictions	<u>(36,215)</u>	<u>(477)</u>	<u>(69)</u>	<u>(5,131)</u>	<u>72</u>	<u>-</u>	<u>10,733</u>	<u>(31,087)</u>
Total Support and Revenue	<u>4,875</u>	<u>(477)</u>	<u>(49)</u>	<u>1,555</u>	<u>72</u>	<u>-</u>	<u>-</u>	<u>5,976</u>
CHANGE IN NET ASSETS FROM OPERATIONS	4,875	(477)	(49)	1,555	72	-	-	5,976
NONOPERATING INCOME (EXPENSE)								
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	381	4,037	-	-	-	4,418
Other Nonoperating Revenue	(915)	(1,640)	-	-	-	-	-	(2,555)
Transfers	-	-	-	(163)	-	-	-	(163)
Total Nonoperating Income (Expense), Net	<u>(915)</u>	<u>(1,640)</u>	<u>381</u>	<u>3,874</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,700</u>
CHANGE IN NET ASSETS	3,960	(2,117)	332	5,429	72	-	-	7,676
Net Assets - Beginning of Year	<u>40,935</u>	<u>3,717</u>	<u>6,787</u>	<u>89,286</u>	<u>(72)</u>	<u>-</u>	<u>-</u>	<u>140,653</u>
NET ASSETS - END OF YEAR	<u>\$ 44,895</u>	<u>\$ 1,600</u>	<u>\$ 7,119</u>	<u>\$ 94,715</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,329</u>