



Financial Statements

As of and for the years ended August 31, 2025 and 2024

The Jewish Federation of Greter Ann Arbor

Ann Arbor, Michigan



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The Jewish Federation of Greater Ann Arbor

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Independent Auditors' Report

To the Board of Directors
The Jewish Federation of Greater Ann Arbor
Ann Arbor, Michigan

Opinion

We have audited the accompanying financial statements of The Jewish Federation of Greater Ann Arbor (a nonprofit organization), which comprise the statements of financial position as of August 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of The Jewish Federation of Greater Ann Arbor as of August 31, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section in our report. We are required to be independent of The Jewish Federation of Greater Ann Arbor and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Independent Auditors' Report (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Federation of Greater Ann Arbor'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 Federation of Greater Ann Arbor'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Altruic Advisors CPAs
Certified Public Accountants

Plymouth, Michigan
May 22, 2026

The Jewish Federation of Greater Ann Arbor

Statements of Financial Position - All Funds

August 31, 2025

ASSETS	Federation Fund	Foundation Fund	Total
Cash and cash equivalents	\$ 751,757	\$ -	\$ 751,757
Prepaid expenses and other assets	39,422	-	39,422
Unconditional promises to give, net	579,447	-	579,447
Investments at fair value, restricted and unrestricted	-	13,145,343	13,145,343
Property and equipment, net	6,395	-	6,395
Cash surrender value of life insurance	-	408,654	408,654
Total assets	<u>\$ 1,377,021</u>	<u>\$ 13,553,997</u>	<u>\$ 14,931,018</u>
LIABILITIES AND NET ASSETS			
Liabilities			
Accounts payable and accrued expenses	\$ 32,115	\$ -	\$ 32,115
Grants and allocations payable	910,225	-	910,225
Assets held as agency funds	-	3,059,898	3,059,898
Total liabilities	<u>942,340</u>	<u>3,059,898</u>	<u>4,002,238</u>
Net Assets (Deficit)			
Without donor restrictions			
Board-designated for the following purposes:			
Donor-advised funds	-	1,400,488	1,400,488
Board reserve funds	-	342,439	342,439
Internal programs	31,753	-	31,753
Undesignated	(176,519)	981,428	804,909
Total without donor restrictions	<u>(144,766)</u>	<u>2,724,355</u>	<u>2,579,589</u>
With donor restrictions	<u>579,447</u>	<u>7,769,744</u>	<u>8,349,191</u>
Total net assets	<u>434,681</u>	<u>10,494,099</u>	<u>10,928,780</u>
Total liabilities and net assets	<u>\$ 1,377,021</u>	<u>\$ 13,553,997</u>	<u>\$ 14,931,018</u>

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Financial Position - All Funds (Continued)

August 31, 2024

ASSETS	Federation Fund	Foundation Fund	Total
Cash and cash equivalents	\$ 809,440	\$ -	\$ 809,440
Prepaid expenses and other assets	21,028	-	21,028
Unconditional promises to give, net	670,405	-	670,405
Investments at fair value, restricted and unrestricted	167,114	12,826,724	12,993,838
Property and equipment, net	6,425	-	6,425
Cash surrender value of life insurance	-	392,402	392,402
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,674,412</u>	<u>\$ 13,219,126</u>	<u>\$ 14,893,538</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Accounts payable and accrued expenses	\$ 8,317	\$ -	\$ 8,317
Grants and allocations payable	851,848	-	851,848
Assets held as agency funds	-	2,401,006	2,401,006
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>860,165</u>	<u>2,401,006</u>	<u>3,261,171</u>
 Net Assets			
Without donor restrictions			
Board-designated for the following purposes:			
Donor-advised funds	-	1,457,485	1,457,485
Board reserve funds	-	187,264	187,264
Internal programs	31,753	-	31,753
Undesignated	112,089	961,005	1,073,094
	<u> </u>	<u> </u>	<u> </u>
Total without donor restrictions	<u>143,842</u>	<u>2,605,754</u>	<u>2,749,596</u>
With donor restrictions	<u>670,405</u>	<u>8,212,366</u>	<u>8,882,771</u>
	<u> </u>	<u> </u>	<u> </u>
Total net assets	<u>814,247</u>	<u>10,818,120</u>	<u>11,632,367</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and net assets	<u>\$ 1,674,412</u>	<u>\$ 13,219,126</u>	<u>\$ 14,893,538</u>

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Activities - All Funds

Year ended August 31, 2025

	Federation Fund			Foundation Fund
	Without Donor Restrictions	With Donor Restrictions	Fund Total	Without Donor Restrictions
	Total	Annual Campaign		Donor-Advised Funds
Operating Support, Revenue, and Transfers				
Operating Support				
Contributions (exclusive of transfers from donor-advised funds)	\$ 1,258,827	\$ 483,732	\$ 1,742,559	\$ 373,300
Transfers (to) from donor-advised funds	143,700	-	143,700	(143,700)
Total operating support	<u>1,402,527</u>	<u>483,732</u>	<u>1,886,259</u>	<u>229,600</u>
Operating Revenue				
Program service revenue	53,131	-	53,131	-
Other revenue	9,882	-	9,882	-
Special event loss, net of expenses of \$65,099	(25,875)	-	(25,875)	-
Total operating revenue	<u>37,138</u>	<u>-</u>	<u>37,138</u>	<u>-</u>
Transfers				
Transfers (to) from other funds	(121,578)	-	(121,578)	-
Net assets released from restrictions				
Satisfaction of purpose restrictions	-	-	-	-
Expiration of time restrictions	574,690	(574,690)	-	-
	<u>574,690</u>	<u>(574,690)</u>	<u>-</u>	<u>-</u>
Total operating support, revenue, and transfers	<u>1,892,777</u>	<u>(90,958)</u>	<u>1,801,819</u>	<u>229,600</u>
Operating Expenses				
Program services	1,560,875	-	1,560,875	404,098
Supporting services				
General and administrative	271,335	-	271,335	-
Fundraising	367,673	-	367,673	-
Total operating expenses	<u>2,199,883</u>	<u>-</u>	<u>2,199,883</u>	<u>404,098</u>
Total operating support, revenues, and transfers in excess (deficit) of operating expenses	<u>(307,106)</u>	<u>(90,958)</u>	<u>(398,064)</u>	<u>(174,498)</u>
Other Changes				
Investment and interest income	18,498	-	18,498	67,977
Net gains on investments	-	-	-	49,524
Increase of cash surrender value of life insurance	-	-	-	-
Total other changes	<u>18,498</u>	<u>-</u>	<u>18,498</u>	<u>117,501</u>
Change in Net Assets	<u>(288,608)</u>	<u>(90,958)</u>	<u>(379,566)</u>	<u>(56,997)</u>
Net Assets, Beginning of Year	<u>143,842</u>	<u>670,405</u>	<u>814,247</u>	<u>1,457,485</u>
Net Assets (Deficit), End of Year	<u>\$ (144,766)</u>	<u>\$ 579,447</u>	<u>\$ 434,681</u>	<u>\$ 1,400,488</u>

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Activities - All Funds (continued)

Year ended August 31, 2025

	Foundation Fund (continued)				2025 Total
	Without Donor Restrictions (continued)		With Donor Restrictions		
	All Other	Total	Total	Fund Total	
Operating Support, Revenue, and Transfers					
Operating Support					
Contributions (exclusive of transfers from donor-advised funds)	\$ -	\$ 373,300	\$ 49,977	\$ 423,277	\$ 2,165,836
Transfers (to) from donor-advised funds	-	(143,700)	-	(143,700)	-
Total operating support	-	229,600	49,977	279,577	2,165,836
Operating Revenue					
Program service revenue	-	-	-	-	53,131
Other revenue	51,532	51,532	-	51,532	61,414
Special event loss, net of expenses of \$65,099	-	-	-	-	(25,875)
Total operating revenue	51,532	51,532	-	51,532	88,670
Transfers					
Transfers (to) from other funds	121,578	121,578	-	121,578	-
Net assets released from restrictions					
Satisfaction of purpose restrictions	1,265,628	1,265,628	(1,265,628)	-	-
Expiration of time restrictions	-	-	-	-	-
	1,265,628	1,265,628	(1,265,628)	-	-
Total operating support, revenue, and transfers	1,438,738	1,668,338	(1,215,651)	452,687	2,254,506
Operating Expenses					
Program services	1,329,075	1,733,173	-	1,733,173	3,294,048
Supporting services					
General and administrative	-	-	-	-	271,335
Fundraising	-	-	-	-	367,673
Total operating expenses	1,329,075	1,733,173	-	1,733,173	3,933,056
Total operating support, revenues, and transfers in excess (deficit) of operating expenses	109,663	(64,835)	(1,215,651)	(1,280,486)	(1,678,550)
Other Changes					
Investment and interest income	-	67,977	397,439	465,416	483,914
Net gains on investments	49,683	99,207	375,590	474,797	474,797
Increase of cash surrender value of life insurance	16,252	16,252	-	16,252	16,252
Total other changes	65,935	183,436	773,029	956,465	974,963
Change in Net Assets	175,598	118,601	(442,622)	(324,021)	(703,587)
Net Assets, Beginning of Year	1,148,269	2,605,754	8,212,366	10,818,120	11,632,367
Net Assets (Deficit), End of Year	\$ 1,323,867	\$ 2,724,355	\$ 7,769,744	\$ 10,494,099	\$ 10,928,780

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Activities - All Funds

Year ended August 31, 2024

	Federation Fund			Foundation Fund
	Without Donor Restrictions	With Donor Restrictions	Fund Total	Without Donor Restrictions
	Total	Annual Campaign		Donor-Advised Funds
Operating Support, Revenue, and Transfers				
Operating Support				
Contributions (exclusive of transfers from donor-advised funds)	\$ 565,640	\$ 1,509,893	\$ 2,075,533	\$ 191,953
Transfers from donor-advised funds	91,288	-	91,288	(91,288)
Total operating support	<u>656,928</u>	<u>1,509,893</u>	<u>2,166,821</u>	<u>100,665</u>
Operating Revenue				
Program service revenue	46,550	-	46,550	-
Other revenue	1,109	-	1,109	-
Special event loss, net of expenses of \$58,326	(28,560)	-	(28,560)	-
Total operating revenue	<u>19,099</u>	<u>-</u>	<u>19,099</u>	<u>-</u>
Transfers				
Transfers (to) from other funds	<u>121,489</u>	<u>-</u>	<u>121,489</u>	<u>-</u>
Net assets released from restrictions				
Satisfaction of purpose restrictions	-	-	-	-
Expiration of time restrictions	1,425,315	(1,425,315)	-	-
	<u>1,425,315</u>	<u>(1,425,315)</u>	<u>-</u>	<u>-</u>
Total operating support, revenue, and transfers	<u>2,222,831</u>	<u>84,578</u>	<u>2,307,409</u>	<u>100,665</u>
Operating Expenses				
Program services	1,571,402	-	1,571,402	449,173
Supporting services				
General and administrative	247,514	-	247,514	-
Fundraising	311,255	-	311,255	-
Total operating expenses	<u>2,130,171</u>	<u>-</u>	<u>2,130,171</u>	<u>449,173</u>
Total operating support, revenues, and transfers in excess (deficit) of operating expenses	<u>92,660</u>	<u>84,578</u>	<u>177,238</u>	<u>(348,508)</u>
Other Changes				
Investment and interest income	55,258	-	55,258	42,430
Net gains on investments	-	-	-	152,258
Increase of cash surrender value of life insurance	-	-	-	-
Total other changes	<u>55,258</u>	<u>-</u>	<u>55,258</u>	<u>194,688</u>
Change in Net Assets	<u>147,918</u>	<u>84,578</u>	<u>232,496</u>	<u>(153,820)</u>
Net Assets (Deficit), Beginning of Year	<u>(4,076)</u>	<u>585,827</u>	<u>581,751</u>	<u>1,611,305</u>
Net Assets, End of Year	<u>\$ 143,842</u>	<u>\$ 670,405</u>	<u>\$ 814,247</u>	<u>\$ 1,457,485</u>

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Activities - All Funds (continued)

Year ended August 31, 2024

	Foundation Fund (continued)				2024 Total
	Without Donor Restrictions (continued)		With Donor Restrictions		
	All Other	Total	Total	Fund Total	
Operating Support, Revenue, and Transfers					
Operating Support					
Contributions (exclusive of transfers from donor-advised funds)	\$ -	\$ 191,953	\$ 196,599	\$ 388,552	\$ 2,464,085
Transfers from donor-advised funds	-	(91,288)	-	(91,288)	-
Total operating support	-	100,665	196,599	297,264	2,464,085
Operating Revenue					
Program service revenue	-	-	-	-	46,550
Other revenue	50,561	50,561	-	50,561	51,670
Special event loss, net of expenses of \$58,326	-	-	-	-	(28,560)
Total operating revenue	50,561	50,561	-	50,561	69,660
Transfers					
Transfers (to) from other funds	(121,489)	(121,489)	-	(121,489)	-
Net assets released from restrictions					
Satisfaction of purpose restrictions	593,633	593,633	(593,633)	-	-
Expiration of time restrictions	-	-	-	-	-
	593,633	593,633	(593,633)	-	-
Total operating support, revenue, and transfers	522,705	623,370	(397,034)	226,336	2,533,745
Operating Expenses					
Program services	553,703	1,002,876	-	1,002,876	2,574,278
Supporting services					
General and administrative	-	-	-	-	247,514
Fundraising	-	-	-	-	311,255
Total operating expenses	553,703	1,002,876	-	1,002,876	3,133,047
Total operating support, revenues, and transfers in excess (deficit) of operating expenses	(30,998)	(379,506)	(397,034)	(776,540)	(599,302)
Other Changes					
Investment and interest income	-	42,430	242,365	284,795	340,053
Net gains on investments	91,803	244,061	888,470	1,132,531	1,132,531
Increase of cash surrender value of life insurance	15,064	15,064	-	15,064	15,064
Total other changes	106,867	301,555	1,130,835	1,432,390	1,487,648
Change in Net Assets	75,869	(77,951)	733,801	655,850	888,346
Net Assets, Beginning of Year	1,072,400	2,683,705	7,478,565	10,162,270	10,744,021
Net Assets, End of Year	\$ 1,148,269	\$ 2,605,754	\$ 8,212,366	\$ 10,818,120	\$ 11,632,367

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Functional Expenses - All Funds

Year ended August 31, 2025

	Federation Fund				
	Program Services			Supporting Services	
	Overseas	Local Services	Total	General and Administrative	Fundraising
Allocations to local organizations	\$ -	\$1,048,237	\$1,048,237	\$ -	\$ -
Donor-advised payments	-	-	-	-	-
Total grants and allocations	-	1,048,237	1,048,237	-	-
Salaries and wages	-	119,206	119,206	171,978	243,457
Payroll taxes	-	9,119	9,119	15,550	18,614
Fringe benefits	-	6,215	6,215	9,472	11,104
Total personnel costs	-	134,540	134,540	197,000	273,175
Security expenses	1,481	146,989	148,470	1,164	160
Program expenses	56,133	36,853	92,986	215	2,769
Administrative fees	-	-	-	-	-
Legal and professional	40,677	-	40,677	16,385	3,588
Occupancy	1,419	9,838	11,257	12,709	18,275
Travel	3,440	30,058	33,498	4,944	3,760
Supplies	800	4,041	4,841	14,204	7,060
Vehicle expenses	23,062	13	23,075	-	-
Bank and merchant fees	-	1	1	3,350	16,621
Insurance	-	3,174	3,174	7,187	5,465
Other fundraising	-	-	-	-	17,210
Advertising	2,558	9,456	12,014	216	3,901
Printing and publications	755	501	1,256	257	10,409
Miscellaneous	14	546	560	8,889	682
Conferences, conventions, and meetings	2,050	1,194	3,244	2,199	1,705
Website	75	853	928	325	2,185
Dues and subscriptions	-	1,436	1,436	269	-
Postage and shipping	-	329	329	530	411
Telephone	-	352	352	297	297
Total before noncash expenses	132,464	1,428,411	1,560,875	270,140	367,673
Depreciation	-	-	-	1,195	-
Total expenses	\$ 132,464	\$1,428,411	\$1,560,875	\$ 271,335	\$ 367,673

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Functional Expenses - All Funds (continued)

Year ended August 31, 2025

	Federation Fund		Jewish	All Funds 2025 Total
	Supporting Services (continued)	Fund Total	Community Foundation Fund Total	
Allocations to local organizations	\$ -	\$ 1,048,237	\$ 1,104,462	\$ 2,152,699
Donor-advised payments	-	-	404,098	404,098
Total grants and allocations	-	1,048,237	1,508,560	2,556,797
Salaries and wages	415,435	534,641	92,033	626,674
Payroll taxes	34,164	43,283	7,038	50,321
Fringe benefits	20,576	26,791	4,832	31,623
Total personnel costs	470,175	604,715	103,903	708,618
Security expenses	1,324	149,794	-	149,794
Program expenses	2,984	95,970	23,060	119,030
Administrative fees	-	-	80,277	80,277
Legal and professional	19,973	60,650	424	61,074
Occupancy	30,984	42,241	6,929	49,170
Travel	8,704	42,202	2,818	45,020
Supplies	21,264	26,105	2,219	28,324
Vehicle expenses	-	23,075	-	23,075
Bank and merchant fees	19,971	19,972	1,199	21,171
Insurance	12,652	15,826	1,540	17,366
Other fundraising	17,210	17,210	-	17,210
Advertising	4,117	16,131	676	16,807
Printing and publications	10,666	11,922	88	12,010
Miscellaneous	9,571	10,131	-	10,131
Conferences, conventions, and meetings	3,904	7,148	-	7,148
Website	2,510	3,438	650	4,088
Dues and subscriptions	269	1,705	400	2,105
Postage and shipping	941	1,270	331	1,601
Telephone	594	946	99	1,045
Total before noncash expenses	637,813	2,198,688	1,733,173	3,931,861
Depreciation	1,195	1,195	-	1,195
Total expenses	\$ 639,008	\$ 2,199,883	\$ 1,733,173	\$ 3,933,056

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Functional Expenses - All Funds

Year ended August 31, 2024

	Federation Fund				
	Program Services			Supporting Services	
	Overseas	Local Services	Total	General and Administrative	Fundraising
Allocations to local organizations	\$ -	\$ 1,060,258	\$ 1,060,258	\$ -	\$ -
Donor-advised payments	-	-	-	-	-
Total grants and allocations	-	1,060,258	1,060,258	-	-
Salaries and wages	2,565	101,934	104,499	152,275	205,288
Payroll taxes	196	7,798	7,994	14,419	15,705
Fringe benefits	128	3,915	4,043	12,908	8,664
Total personnel costs	2,889	113,647	116,536	179,602	229,657
Program expenses	13,618	119,434	133,052	4,101	967
Security expenses	160	126,719	126,879	-	-
Administrative fees	-	-	-	-	-
Legal and professional	44,663	-	44,663	17,780	3,588
Occupancy	3,405	10,216	13,621	10,384	13,620
Travel	24,387	15,395	39,782	6,428	-
Bank and merchant fees	72	2	74	3,215	18,113
Supplies	908	5,434	6,342	9,383	5,284
Advertising	963	7,582	8,545	481	10,927
Other fundraising	-	326	326	300	15,017
Printing and publications	10	5,393	5,403	975	8,649
Conferences, conventions, and meetings	375	2,619	2,994	7,420	935
Insurance	20	2,174	2,194	2,312	2,383
Website	180	6,314	6,494	360	460
Miscellaneous	41	2,992	3,033	2,679	358
Postage and shipping	-	657	657	233	1,004
Telephone	117	366	483	284	234
Dues and subscriptions	-	66	66	834	59
Total before noncash expenses	91,808	1,479,594	1,571,402	246,771	311,255
Bad debt expense	-	-	-	-	-
Depreciation	-	-	-	743	-
Total expenses	\$ 91,808	\$ 1,479,594	\$ 1,571,402	\$ 247,514	\$ 311,255

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Functional Expenses - All Funds

Year ended August 31, 2024

	Federation Fund				
	Program Services			Supporting Services	
	Overseas	Local Services	Total	General and Administrative	Fundraising
Allocations to local organizations	\$ -	\$ 1,060,258	\$ 1,060,258	\$ -	\$ -
Donor-advised payments	-	-	-	-	-
Total grants and allocations	-	1,060,258	1,060,258	-	-
Salaries and wages	2,565	101,934	104,499	152,275	205,288
Payroll taxes	196	7,798	7,994	14,419	15,705
Fringe benefits	128	3,915	4,043	12,908	8,664
Total personnel costs	2,889	113,647	116,536	179,602	229,657
Program expenses	13,618	119,434	133,052	4,101	967
Security expenses	160	126,719	126,879	-	-
Administrative fees	-	-	-	-	-
Legal and professional	44,663	-	44,663	17,780	3,588
Occupancy	3,405	10,216	13,621	10,384	13,620
Travel	24,387	15,395	39,782	6,428	-
Bank and merchant fees	72	2	74	3,215	18,113
Supplies	908	5,434	6,342	9,383	5,284
Advertising	963	7,582	8,545	481	10,927
Other fundraising	-	326	326	300	15,017
Printing and publications	10	5,393	5,403	975	8,649
Conferences, conventions, and meetings	375	2,619	2,994	7,420	935
Insurance	20	2,174	2,194	2,312	2,383
Website	180	6,314	6,494	360	460
Miscellaneous	41	2,992	3,033	2,679	358
Postage and shipping	-	657	657	233	1,004
Telephone	117	366	483	284	234
Dues and subscriptions	-	66	66	834	59
Total before noncash expenses	91,808	1,479,594	1,571,402	246,771	311,255
Depreciation	-	-	-	743	-
Total expenses	\$ 91,808	\$ 1,479,594	\$ 1,571,402	\$ 247,514	\$ 311,255

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Functional Expenses - All Funds (continued)

Year ended August 31, 2024

	Federation Fund		Jewish	All Funds 2024 Total
	Supporting Services (continued)		Community Foundation	
	Total	Fund Total	Fund Total	
Allocations to local organizations	\$ -	\$ 1,060,258	\$ 340,158	\$ 1,400,416
Donor-advised payments	-	-	449,173	449,173
Total grants and allocations	-	1,060,258	789,331	1,849,589
Salaries and wages	357,563	462,062	103,213	565,275
Payroll taxes	30,124	38,118	7,896	46,014
Fringe benefits	21,572	25,615	5,332	30,947
Total personnel costs	409,259	525,795	116,441	642,236
Program expenses	5,068	138,120	-	138,120
Security expenses	-	126,879	-	126,879
Administrative fees	-	-	81,505	81,505
Legal and professional	21,368	66,031	-	66,031
Occupancy	24,004	37,625	11,544	49,169
Travel	6,428	46,210	-	46,210
Bank and merchant fees	21,328	21,402	1,095	22,497
Supplies	14,667	21,009	1,291	22,300
Advertising	11,408	19,953	-	19,953
Other fundraising	15,317	15,643	-	15,643
Printing and publications	9,624	15,027	40	15,067
Conferences, conventions, and meetings	8,355	11,349	-	11,349
Insurance	4,695	6,889	865	7,754
Website	820	7,314	360	7,674
Miscellaneous	3,037	6,070	-	6,070
Postage and shipping	1,237	1,894	170	2,064
Telephone	518	1,001	234	1,235
Dues and subscriptions	893	959	-	959
Total before noncash expenses	558,026	2,129,428	1,002,876	3,132,304
Depreciation	743	743	-	743
Total expenses	\$ 558,769	\$ 2,130,171	\$ 1,002,876	\$ 3,133,047

The accompanying Notes are an integral part of these financial statements

The Jewish Federation of Greater Ann Arbor

Statements of Cash Flows - All Funds

Increase (Decrease) in Cash and Cash Equivalents

Years ended August 31	2025	2024
Cash Flows From Operating Activities		
Change in net assets	\$ (703,587)	\$ 888,346
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation	1,195	743
Net gains on investments	(474,797)	(1,132,531)
Increase of cash value of life insurance	(16,252)	(15,063)
Increase (decrease) from changes in assets and liabilities		
Prepaid expenses and other assets	(18,394)	(12,768)
Net unconditional promises to give	90,958	(84,578)
Accounts payable and accrued expenses	23,798	(1,572)
Grants and allocations payable	58,377	12,576
Assets held as agency funds	658,892	224,705
Net cash used by operating activities	<u>(379,810)</u>	<u>(120,142)</u>
Cash Flows From Investing Activities		
Net investment sales (purchases) and reinvestments	323,292	99,925
Purchases of property and equipment	(1,165)	(3,176)
Net cash provided by investing activities	<u>322,127</u>	<u>96,749</u>
Net Decrease in Cash and Cash Equivalents	(57,683)	(23,393)
Cash and Cash Equivalents, Beginning of Year	809,440	832,833
Cash and Cash Equivalents, End of Year	\$ 751,757	\$ 809,440

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 1 – Nature of Organization and Significant Accounting Policies

Nature of Operations. The Jewish Federation of Greater Ann Arbor ("the Federation") is a Michigan non-profit corporation organized to provide support for charitable, religious, and educational organizations. The Federation was formed effective January 1, 1987 through the combination of the United Jewish Appeal of Washtenaw County and the Jewish Community Council of Washtenaw County. The Federation's primary sources of support and revenue are private and public contributions, grants, and investment income.

Description of Program Services:

Overseas. The Federation's overseas funding supports the absorption of immigrants from around the world and their integration into Israeli society. This funding also supports impoverished Jewish communities in over 60 countries.

Local Services. Local allocations support a network of beneficiary agencies in Ann Arbor and throughout Washtenaw County to support local Jewish life.

Jewish Community Foundation. The Federation's Jewish Community Foundation offers the Federation's members an opportunity to engage in planned giving and to make contributions beyond the scope of the Federation's annual campaign.

Description of Supporting Services:

General and Administrative. Includes the functions necessary to provide support to the Federation's program activities. General and administrative activities include those that provide governance (board of directors), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising. Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations.

Basis of Accounting. The financial statements of the Federation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Fund Financial Statements. Fund financial statements are designed to group related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements for the Federation include two funds: the Federation Fund and the Foundation Fund.

Federation Fund. Used to account for all Federation activities that are not included in the Foundation Fund. The majority of the Federation Fund's support is derived from the Federation's annual campaign. All grants awarded by the Federation are paid out of the Federation Fund, with the exception of those grants awarded through the Foundation Fund's donor-advised funds. All other Federation expenses are paid out of the Federation Fund.

Jewish Community Foundation Fund ("the Foundation Fund"). Holds all investments of the Federation, including the donor-advised fund and the restricted endowment funds. Contributions received and investment earnings are used to fund various grants and allocations.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Endowments. The State of Michigan enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) was effective September 10, 2009. The provisions of this law apply to endowment funds existing on or established after that date. The board of directors has determined that all of the Federation's current net assets with donor restrictions in perpetuity meet the definition of endowment funds under UPMIFA, requiring the preservation of fair value of the original gift as of the gift date of the donor-restricted funds absent explicit donor stipulations to the contrary.

The Federation's endowment funds consist of a variety of individual funds established for a variety of purposes and include both funds with donor restrictions in perpetuity and other funds with donor restrictions. As a result of the Federation's interpretation of UPMIFA, it generally classifies as net assets with donor restrictions in perpetuity (a) the original value of gifts donated to the endowment restricted in perpetuity, (b) the original value of subsequent gifts to the endowment restricted in perpetuity, and (c) accumulations to the endowment restricted in perpetuity made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions in perpetuity is classified as other net assets with donor restrictions until those amounts are appropriated for expenditure by the Federation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Federation, and (7) the Federation's investment policies.

Endowment Investment Policies. The Federation has adopted investment policies that include a conservative risk tolerance to ensure the long-term stability of its endowment funds and to attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Endowment Spending Policies. The Federation determines endowment distributions by June 30 of each year. This calculation is based on 5.5% of the average fund balance for the previous four calendar quarters (or current fund balance if the fund is less than one year old). The Federation will then have the following options:

- 1) Receive the calculated distribution as a lump sum in August;
- 2) Receive quarterly distributions during the ensuing fiscal year;
- 3) Transfer the calculated distribution into an agency account held by the Jewish Community Foundation of Greater Ann Arbor, which is a fund of the Federation;
- 4) Keep the calculated distribution in the endowment fund, at which time it will become part of the endowment corpus and not available for further distribution.

Distributions will not be made if doing so would bring the account value below the original permanently restricted endowment investment amount. Also, the executive director and/or board of directors may opt out of this annual transfer if the account value has recently fallen and/or for any other reason that is deemed to be in the best interests of the Federation and/or the endowment principal in the account.

Cash and Cash Equivalents. The Federation considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Unconditional Promises to Give. Contributions are recognized as support in the period received and as assets or decreases of liabilities depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Allowance for Doubtful Pledges. Unconditional promises to give are stated net of allowances for doubtful pledges. Management provides for probable doubtful pledges through a provision for bad debt expense and an adjustment to the allowance account based on its assessment of the current status of individual pledges. Balances still outstanding after management has used reasonable collection efforts are written off through a reduction to the allowance account and a corresponding reduction to unconditional promises to give.

Allowance for Donor-Advised Transfers. Unconditional promises to give are stated net of allowances for donor advised transfers. Management provides for probable donor advised transfers through a reduction of contributions and a corresponding adjustment to the allowance account based on its assessment of how individual pledges will be paid by donors.

Property and Equipment. It is the Federation's policy to capitalize property and equipment at cost for purchases over \$1,000, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value on the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which are currently calculated at seven to ten years for furniture and fixtures and five years for computer equipment. Depreciation expense was \$1,195 and \$743 for the years ended August 31, 2025 and 2024, respectively.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that property and equipment or other assets may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended August 31, 2025 and 2024.

Investments. The Federation's investments consist of funds held within the United Jewish Federation of Greater Pittsburgh's Balanced Investment Portfolio ("the Fund"), which consists of equity securities, debt securities, hedge funds, funds of funds, and private equity investments. The Federation's investments are stated at fair value. Fair value is 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. The Federation's management determines the valuation policies utilizing information provided by the investment advisors and custodians. See *Fair Value Measurements*.

Unrealized gains and losses, if any, are calculated since the most recent financial statement reporting date. In the year that an investment is sold, unrealized gains and losses are calculated from the most recent financial statement reporting date through the date of sale. Therefore, realized gains and losses are generally not reported. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Fair Value Measurements. The Federation reports using fair value measurements which requires enhanced investment disclosures that are measured and reported at fair value and establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Federation has the ability to access.

Level 2. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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 asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for assets measured at fair value on a recurring basis:

Mutual Funds. The Federation values mutual funds with readily determinable market values at fair value as determined by quoted market prices on national security exchanges valued at the closing price on the last day of business of the fiscal year.

The following is a description of the valuation methodology used for assets measured at net asset value (NAV) on a recurring basis:

Pooled Debt and Pooled Equity Securities. The Federation invests in pooled funds managed by the United Jewish Federation of Greater Pittsburgh ("UJFGP"). The Federation values the pooled funds at the net asset value ("NAV") of units held by the Federation at year end. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the UJFGP less its liabilities. This practical expedient is not used when it is determined to be probable that the UJFGP will sell the investment for an amount different than the reported NAV.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Fair Value Measurements (continued).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

While the Federation 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. There have been no changes in methodologies used as of August 31, 2025 and 2024.

In general, investments are exposed to various risks such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

Donor-Advised Funds. Individuals may establish donor-advised funds, whereby each fund and its related earnings may be distributed to charities recommended by the donor. The final distributions are subject to the approval of the Federation. Donor-advised funds are classified as net assets without donor restrictions in the accompanying financial statements.

Assets Held as Agency Funds. A fund established with a contribution from an organization for the benefit of the contributing organization is classified as an agency fund. The activity in agency funds is reported as a change in the liability account "assets held as agency funds."

Basis of Net Asset Presentation. The Federation reports 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 resulting from revenues generated, receiving contributions that have no donor stipulations, providing services, receiving rents, and receiving interest and other income, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions. Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of donated net assets, until the donor restriction expires, that is, until the stipulated time restriction ends or the purpose restriction is accomplished.

Contributions. Contributions are recognized when donations are received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Grants and contributions that are restricted by the grantor or donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the amounts are recognized.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Contributed Services. The Federation records the fair value of contributed services in the financial statements if the services either (a) create or enhance a nonfinancial asset or (b) require specialized skills that are provided by persons possessing those skills and would typically need to be purchased if not provided by donation. During each of the years ended August 31, 2025 and 2024, the Federation did not receive contributed services. Certain other volunteer services are not recorded in these financial statements as they do not meet the criteria for recognition.

Advertising. The Federation expenses advertising costs, including donated advertising, as incurred. Total advertising expense for the years ended August 31, 2025 and 2024 was \$16,807 and \$19,953, respectively.

Income Taxes. The Federation is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

Functional Allocation of Expenses. Direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

Leases. The Federation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (“ROU”) lease assets, current portion of lease obligations, and long-term lease obligations on the Federation's statements of financial position. ROU lease assets represent the Federation's right to use an underlying asset for the lease term, and lease obligations represent the Federation's obligation to make lease payments arising from the lease. Operating ROU lease assets and obligations are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the Federation's leases do not provide an implicit rate, the Federation uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The ROU lease asset also includes any lease payments made and excludes lease incentives. The Federation's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Federation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

As of August 31, 2025, the Federation had three long-term lease obligations for equipment and vehicles (see Note 9). The Federation has elected to forego the lease implementation for these leases as management believes the present value of the remaining lease payments is immaterial to the financial statements overall.

Subsequent Events. The Federation evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through May 22, 2026, the date at which the financial statements were available for release.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 2 – Unconditional Promises to Give

Unconditional promises to give at August 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Unconditional promises to give due in less than one year	\$ 599,225	\$ 767,985
Unconditional promises to give due in one to five years	60,000	53,000
Less: allowance for donor-advised transfers	(24,285)	(62,600)
Less: allowance for uncollectible pledges	(55,493)	(87,980)
Net unconditional promises to give	<u>\$ 579,447</u>	<u>\$ 670,405</u>

Note 3 – Fair Value Measurements

The following table summarizes the Federation's fair value of assets measured on a recurring basis by the fair value and NAV hierarchy as of August 31, 2025 and 2024:

As of August 31, 2025:

Investments measured at NAV: Pooled funds held by UJFGP (see Note 1)	<u>\$ 13,145,343</u>
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<u>As of August 31, 2024:</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	<u>\$ 167,114</u>	<u>\$ 167,114</u>	<u>\$ -</u>	<u>\$ -</u>

Investments measured at NAV: Pooled funds held by UJFGP (see Note 1)	<u>\$ 12,826,724</u>
	<u>\$ 12,993,838</u>

Changes in Fair Value Levels. The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Federation evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 3 – Fair Value Measurements (continued)

The following sets forth a summary of the Federation's pooled funds held by UJFGP at NAV at August 31:

	Fair Value	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
<u>2025</u>	\$ 13,145,343	N/A	Immediate	Redemptions are made upon written request of the Federation	None
<u>2024</u>	\$ 12,826,724	N/A	Immediate		None

Net investment earnings consisted of the following for the years ended August 31:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 465,416	\$ 284,795
Gains on investments	474,797	1,132,531
	<u>\$ 940,213</u>	<u>\$ 1,417,326</u>

Note 4 – Cash Surrender Value of Life Insurance

Several donors have purchased life insurance policies naming the Federation as owner of these policies. The donors pay the premiums as they become due with the Federation retaining all rights of ownership with respect to each policy. Upon death of the covered donor, the proceeds are payable to the Federation. The amounts of the premiums attributable to the economic benefits of these policies were \$16,252 and \$15,064 and were recorded as income in the statements of activities for the years ended August 31, 2025 and 2024, respectively. The Federation incurred no life insurance expense with respect to these plans for the years then ended.

As owner of these policies, the Federation may, at its discretion, surrender these policies for their respective cash value. The total cash surrender value of these policies was \$408,654 and \$392,402 as of August 31, 2025 and 2024, respectively.

Note 5 – Funds Invested on Behalf of Other Organizations

Included within the Federation's investments are funds held for other organizations which are on deposit with the United Jewish Federation of Greater Pittsburgh. The amounts of \$3,059,898 and \$2,401,006 are recorded as liabilities in the accompanying statements of financial position as of August 31, 2025 and 2024, respectively.

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 5 – Funds Invested on Behalf of Other Organizations (continued)

A summary of these funds held for other organizations is as follows at August 31:

	<u>2025</u>	<u>2024</u>
Beth Israel General Endowment Fund	\$ 915,555	\$ 878,190
Samuel and Jean Frankel Endowment Fund	512,342	494,373
Cantor Anne Rose Musical and Spirituality Endowment Fund of Temple Beth Emeth	358,382	341,096
Melvin and Lois Levy Endowment Fund	202,890	193,926
Jewish Cultural Society Facilities Fund	93,066	89,732
Gwen Budow Memorial Scholarship Fund	52,491	50,651
Rothchild Musical Instrument Endowment Fund	28,016	26,902
Jewish Family Services General Endowment Fund	330,236	315,628
Kamil Lockard Custodial Endowment Fund	11,437	10,508
L'dor V'dor Endowment Fund	555,483	-
	<u>\$ 3,059,898</u>	<u>\$ 2,401,006</u>

Note 6 – Net Assets with Donor Restrictions

The balances of net assets with donor restrictions are as follows:

	<u>Sept 1, 2024</u> <u>Balance</u>	<u>Additions</u>	<u>Releases</u>	<u>Aug 31, 2025</u> <u>Balance</u>
<u>Time Restrictions:</u>				
Annual Campaign (Federation)	\$ 670,405	\$ 483,732	\$ 574,690	\$ 579,447
<u>Purpose Restrictions:</u>				
Jewish Community Foundation of Greater Ann Arbor (Foundation)	7,527,684	815,292	1,265,628	7,077,348
Restrictions in Perpetuity (Foundation)	684,682	7,714	-	692,396
Total	<u>\$ 8,882,771</u>	<u>\$ 1,306,738</u>	<u>\$ 2,040,102</u>	<u>\$ 8,349,191</u>
	<u>Sept 1, 2023</u> <u>Balance</u>	<u>Additions</u>	<u>Releases</u>	<u>Aug 31, 2024</u> <u>Balance</u>
<u>Time Restrictions:</u>				
Annual Campaign (Federation)	\$ 585,827	\$ 1,509,893	\$ 1,425,315	\$ 670,405
<u>Purpose Restrictions:</u>				
Jewish Community Foundation of Greater Ann Arbor (Foundation)	6,795,969	1,325,348	593,633	7,527,684
Restrictions in Perpetuity (Foundation)	682,596	2,086	-	684,682
Total	<u>\$ 8,064,392</u>	<u>\$ 2,837,327</u>	<u>\$ 2,040,102</u>	<u>\$ 8,882,771</u>

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 7 – Endowment Funds

Changes in the endowment funds are as follows for the year ended August 31, 2025:

	Purpose Restricted Assets	Assets Restricted in Perpetuity	Total Endowment Assets
Endowment net assets, September 1, 2024	\$ 870,980	\$ 684,682	\$ 1,555,662
Contributions	27,111	7,714	34,825
Investment gains	51,273	-	51,273
Distributions	(536,973)	-	(536,973)
Fees and other changes	(5,396)	-	(5,396)
Endowment net assets, August 31, 2025	<u>\$ 406,995</u>	<u>\$ 692,396</u>	<u>\$ 1,099,391</u>

Changes in the endowment funds are as follows for the year ended August 31, 2024:

	Purpose Restricted Assets	Assets Restricted in Perpetuity	Total Endowment Assets
Endowment net assets, September 1, 2023	\$ 709,455	\$ 682,596	\$ 1,392,051
Contributions	75,521	2,086	77,607
Investment gains	118,397	-	118,397
Distributions	(25,546)	-	(25,546)
Fees and other changes	(6,847)	-	(6,847)
Endowment net assets, August 31, 2024	<u>\$ 870,980</u>	<u>\$ 684,682</u>	<u>\$ 1,555,662</u>

Note 8 – Distributions to Beneficiaries

Distributions are paid to beneficiaries from board-designated net assets (donor advised) and from other net assets without donor restrictions (transferred from net assets with donor restrictions) in satisfaction of specific donor restrictions. A summary of distributions paid during the years ended August 31, 2025 and 2024 is as follows:

	2025	2024
Adamah, Inc.	\$ 3,000	\$ -
American Friends of IACC	5,400	-
American Jewish World Services	2,000	-
Anti-Defamation League Foundation	3,000	3,100
Beth Israel Congregation	17,492	20,880
Chabad House	3,700	1,220
Chabad Student Association Lubavitch	-	25,000
Conquer Cancer Foundation of America	5,000	-
Cystic Fibrosis Foundation, San Diego Chapter	10,000	10,000
Doctors Without Borders USA	7,000	6,000
Food Gatherers	8,600	5,050
<i>Total carried to next page</i>	<u>\$ 62,192</u>	<u>\$ 71,250</u>

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 8 – Distributions to Beneficiaries (continued)

	<u>2025</u>	<u>2024</u>
<i>Total from previous page</i>	\$ 62,192	\$ 71,250
Forward Association	-	3,600
Garrett's Space	2,610	-
Good People Fund	5,400	20,540
Habonim Camp Tavor	-	2,250
Hebrew Day School	35,280	33,800
HIAS	2,500	4,000
Jean and Samuel Frankel Jewish Academy	1,800	10,920
Jewish Community Center of Greater Ann Arbor	12,998	7,945
Jewish Family Services of Washtenaw County	31,137	10,250
Jewish Federation of North America	-	18,000
Jewish Federation of Sarasota-Manatee	20,000	20,000
Jewish Women's Archive	9,300	12,000
Kehilat Etz Chayim	7,000	-
Kehilat Tzur Hadassah	-	5,660
Keshet, Inc.	10,000	4,000
Michigan Advocacy Program	2,800	-
Michigan Public Radio	5,000	-
Michigan Radio Development	4,060	2,700
New Israel Fund	2,050	3,100
ORT America	5,372	2,000
PEF Israel Endowment Funds	100	5,000
Planned Parenthood of America	9,000	4,000
President and Fellows of Harvard College	-	2,500
Public Citizen Foundation	3,600	-
Southern Poverty Law Center	3,960	3,600
Temple Beth Emeth	21,564	6,323
Temple Beth Shalom	-	2,000
Temple Shir Shalom	4,045	5,300
The St. Louis Center	-	33,334
United Way	5,900	3,400
University of Michigan - various other programs	4,725	1,300
U of M Hillel	5,450	45,200
Wayne State University	2,000	3,000
World Central Kitchen	1,000	3,800
Yankee Air Force	-	20,000
Various other charities	123,255	78,401
	<u>\$ 404,098</u>	<u>\$ 449,173</u>

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 9 – Commitments

Office Lease. The Federation leases office space under an operating lease agreement. Effective September 1, 2014, this agreement became a month-to-month agreement with required current monthly payments of \$4,040. Rent expense, excluding utilities and other charges, totaled \$48,480 for the years ended August 31, 2025 and 2024.

Equipment Lease. The Federation leases equipment under a noncancelable operating lease. The lease requires monthly minimum payments of \$113 and expired in December 2025. Rent expense, excluding supplies and maintenance, totaled \$1,358 for each of the years ended August 31, 2025 and 2024.

Vehicle Leases. The Federation leases vehicles under noncancelable operating leases. The leases require monthly minimum payments of \$2,213 and expire in September 2026. Rent expense, excluding supplies and maintenance, totaled \$24,213 for the year ended August 31, 2025. There was no lease expense related to the vehicle leases during the year ended August 31, 2024.

Future annual minimum lease payments required under the aforementioned noncancelable vehicles operating leases are as follows at August 31, 2025:

Year ended August 31	Vehicles
2026	\$ 26,896
2027	2,213
	<u>\$ 29,109</u>

Note 10 – Special Event

The Federation derived net loss from the following special fundraising event during the year ended August 31, 2025:

	Main Event
Gross sales	\$ 39,224
Direct costs	(65,099)
Net loss	<u>\$ (25,875)</u>

The Federation derived net loss from the following special fundraising event during the year ended August 31, 2024:

	Main Event
Gross sales	\$ 29,766
Direct costs	(58,326)
Net loss	<u>\$ (28,560)</u>

The Jewish Federation of Greater Ann Arbor

Notes to Financial Statements

As of and for the years ended August 31, 2025 and 2024

Note 11 – Liquidity and Availability of Resources

The Federation receives significant contributions and promises to give that are restricted by donors and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for future years' allocations and for general expenditures. The Federation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Federation has a liquidity policy to maintain current financial assets less current liabilities at a minimum of six months budgeted operating expenses. To achieve this target, the Federation forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the years ended August 31, 2025 and 2024, the level of liquidity and reserves was managed within the policy requirements.

The Federation's financial assets available for general expenditures within one year are as follows at August 31:

	<u>2025</u>	<u>2024</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 751,757	\$ 809,440
Unconditional promises to give, net	579,447	670,405
Investments	13,145,343	12,993,838
	<u>14,476,547</u>	<u>14,473,683</u>
Less amounts not available to be used within one year:		
Financial assets designated by the board	(1,774,680)	(1,676,502)
Unconditional promises to give for long-term purposes	(60,000)	(53,000)
	<u>(1,834,680)</u>	<u>(1,729,502)</u>
Financial assets available for general expenditures within one year	<u>\$ 12,641,867</u>	<u>\$ 12,744,181</u>

Note 12 – Retirement Plan

The Federation has a 403(b) plan ("the Plan") covering substantially all employees. Employees are eligible to participate upon the date of hire. Contributions to the Plan are made entirely at the discretion of the employee and are deducted, pre-tax, from the employee's paycheck. The Federation will match employee contributions up to a maximum of 5% of the employee's salary. Federation contributions to the plan totaled \$28,177 and \$24,729 for the years ended August 31, 2025 and 2024, respectively.

Note 13 – Concentrations and Credit Risk

Geographical Concentration. The Federation receives a substantial amount of its support and revenue from within the area of Southeast Michigan.

Bank Deposits. At certain times during the years ended August 31, 2025 and 2024, the Federation maintained cash balances in excess of federally insured limits. Management believes the risk of loss on these amounts is minimal.