

JEWISH COMMUNAL FUND
(an entity of a sole member)

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023
(with supplementary information)

JEWISH COMMUNAL FUND
(an entity of a sole member)

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Jewish Communal Fund

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the financial statements of Jewish Communal Fund (an entity of a sole member) ("JCF"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, the related consolidated statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Jewish Communal Fund as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for each of 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 JCF 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

JCF's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 JCF's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JCF'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 JCF'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.

EisnerAmper LLP

EISNERAMPER LLP
New York, New York
November 13, 2024



JEWISH COMMUNAL FUND
(an entity of a sole member)

Consolidated Statements of Financial Position

	June 30,	
	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 42,652,170	\$ 85,413,441
Amounts due from investment managers	1,665,539	7,325,504
Accrued income and other assets	8,926,734	19,636,895
Investments	2,897,359,553	2,785,560,226
Right-of-use asset - operating lease	1,866,149	2,305,172
Website costs, net	181,959	303,266
	<u>2,952,652,104</u>	<u>2,900,544,504</u>
Total assets		
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued operating expenses	\$ 1,094,894	\$ 1,197,609
Amounts due to investment managers	52,196,499	66,364,254
Grants payable	-	89,747,446
Lease liability	1,906,286	2,339,212
	<u>55,197,679</u>	<u>159,648,521</u>
Total liabilities		
Commitments, lease agreement, and other contracts (see Notes B and F)		
Without donor restrictions:		
Undesignated - available for operations	2,846,942,795	2,696,202,788
Designated and semi-designated	23,627,772	20,832,064
Functioning as endowment	24,202,416	21,302,379
Reserve fund	2,681,442	2,558,752
	<u>2,897,454,425</u>	<u>2,740,895,983</u>
Total net assets		
Total liabilities and net assets	<u>\$ 2,952,652,104</u>	<u>\$ 2,900,544,504</u>

JEWISH COMMUNAL FUND
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Consolidated Statements of Activities

	Year Ended June 30,	
	2024	2023
	Without Donor Restrictions	Without Donor Restrictions
Public support and revenue:		
Contributions received	\$ 876,323,994	\$ 934,491,554
Interest and dividend income, net	30,408,576	31,736,552
Net realized losses from sale of other assets	-	(82,000)
Net realized and unrealized gains on investments	<u>283,638,955</u>	<u>213,542,995</u>
Total public support and revenue	<u>1,190,371,525</u>	<u>1,179,689,101</u>
Expenses:		
Program: grants to philanthropic institutions and related expenses	1,027,275,718	908,957,537
Management and general	4,578,533	5,480,386
Fund-raising	<u>1,958,832</u>	<u>1,977,005</u>
Total expenses	<u>1,033,813,083</u>	<u>916,414,928</u>
Increase in net assets	156,558,442	263,274,173
Net assets without donor restrictions - beginning of year	<u>2,740,895,983</u>	<u>2,477,621,810</u>
Net assets without donor restrictions - end of year	<u><u>\$ 2,897,454,425</u></u>	<u><u>\$ 2,740,895,983</u></u>

See notes to consolidated financial statements.

JEWISH COMMUNAL FUND
(an entity of a sole member)

Consolidated Statements of Functional Expenses

	Year Ended June 30, 2024				
Program: Grants to Philanthropic Institutions and Related Expenses	Supporting Services				
	Management and General	Fund- raising	Total Supporting Services	Total Expenses	
Expenses:					
Grants to philanthropic institutions	\$ 977,404,828	\$ -	\$ -	\$ -	\$ 977,404,828
Salaries and employee benefits	1,106,432	2,553,673	1,178,801	3,732,474	4,838,906
Professional fees	-	723,607	-	723,607	723,607
Conferences, meetings and travel	12,965	20,512	48,920	69,432	82,397
Advertising and promotion	-	-	483,370	483,370	483,370
Occupancy costs	176,680	279,542	148,847	428,389	605,069
Office expenses	27,441	43,416	23,118	66,534	93,975
Information technology costs	-	478,777	-	478,777	478,777
Insurance	33,472	52,959	28,199	81,158	114,630
Federal and state taxes	-	227,719	-	227,719	227,719
Banking and credit card fees	-	119,704	-	119,704	119,704
Other expenses	14,782	22,581	17,734	40,315	55,097
Depreciation and amortization	35,421	56,043	29,843	85,886	121,307
	<u>978,812,021</u>	<u>4,578,533</u>	<u>1,958,832</u>	<u>6,537,365</u>	<u>985,349,386</u>
Subtotal expenses					
Grants to UJA (sole member of JCF)	48,463,697	-	-	-	48,463,697
Total expenses	<u>\$ 1,027,275,718</u>	<u>\$ 4,578,533</u>	<u>\$ 1,958,832</u>	<u>\$ 6,537,365</u>	<u>\$ 1,033,813,083</u>

	Year Ended June 30, 2023				
Program: Grants to Philanthropic Institutions and Related Expenses	Supporting Services				
	Management and General	Fund- raising	Total Supporting Services	Total Expenses	
Expenses:					
Grants to philanthropic institutions	\$ 881,794,242	\$ -	\$ -	\$ -	\$ 881,794,242
Salaries and employee benefits	1,033,153	2,598,454	1,254,189	3,852,643	4,885,796
Professional fees	-	1,226,988	-	1,226,988	1,226,988
Conferences, meetings and travel	12,596	19,930	62,559	82,489	95,085
Advertising and promotion	-	-	396,655	396,655	396,655
Occupancy costs	179,811	274,848	146,347	421,195	601,006
Office expenses	22,416	35,468	18,884	54,352	76,768
Information technology costs	-	591,338	-	591,338	591,338
Insurance	35,783	56,614	30,145	86,759	122,542
Federal and state taxes	-	333,527	-	333,527	333,527
Banking and credit card fees	-	258,396	-	258,396	258,396
Other expenses	18,982	30,038	39,055	69,093	88,075
Depreciation and amortization	34,626	54,785	29,171	83,956	118,582
	<u>883,131,609</u>	<u>5,480,386</u>	<u>1,977,005</u>	<u>7,457,391</u>	<u>890,589,000</u>
Subtotal expenses					
Grants to UJA (sole member of JCF)	25,825,928	-	-	-	25,825,928
Total expenses	<u>\$ 908,957,537</u>	<u>\$ 5,480,386</u>	<u>\$ 1,977,005</u>	<u>\$ 7,457,391</u>	<u>\$ 916,414,928</u>

See notes to consolidated financial statements.

JEWISH COMMUNAL FUND
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Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Increase in net assets	\$ 156,558,442	\$ 263,274,173
Adjustments to reconcile increase in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	121,307	118,582
Net realized loss on sale of other assets	-	82,000
Net realized and unrealized gains on investments	(283,638,955)	(213,542,995)
Donated private equities held for investment	(12,264,000)	(13,875,714)
Non-cash lease amortization	439,023	416,726
Changes in:		
Amounts due from investment managers	5,659,965	3,666,173
Accrued income and other assets	10,710,161	(13,664,503)
Accounts payable and accrued operating expenses	(102,715)	(1,226,946)
Amounts due to investment managers	(14,167,755)	(20,939,355)
Grants payable	(89,747,446)	89,747,446
Lease liability	(432,926)	(410,629)
Net cash (used in) provided by operating activities	<u>(226,864,899)</u>	<u>93,644,958</u>
Cash flows from investing activities:		
Proceeds from the sale of other assets	-	218,000
Proceeds from sales of investments	12,429,502,374	13,335,113,212
Purchases of investments	(12,245,398,746)	(13,411,098,098)
Capitalized website costs	-	(204,757)
Net cash provided by (used in) investing activities	<u>184,103,628</u>	<u>(75,971,643)</u>
Net change in cash and cash equivalents	(42,761,271)	17,673,315
Cash and cash equivalents, beginning of year	<u>85,413,441</u>	<u>67,740,126</u>
Cash and cash equivalents, end of year	<u>\$ 42,652,170</u>	<u>\$ 85,413,441</u>
Supplemental disclosure of cash flows information:		
Unrelated business income taxes paid	<u>\$ 73,000</u>	<u>\$ 54,057</u>

See notes to consolidated financial statements.

JEWISH COMMUNAL FUND

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Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES

[1] Organization:

The Jewish Communal Fund ("JCF") was organized in 1972 as an independent, public charity (not a private foundation) under the not-for-profit corporation law of the State of New York. Through donor-advised funds, JCF offers individuals and families a way to simplify their charitable giving and to plan their philanthropy over time. JCF extends to donors or their successors the privilege of recommending grants from their funds to the qualified charities of their choice. The United Jewish Appeal - Federation of Jewish Philanthropies of New York, Inc. ("UJA") is the sole member of JCF.

JCF is, in turn, the sole member of Jewish Communal Fund Holdings LLC ("Holdings LLC"). Holdings LLC is a limited liability, not-for-profit corporation organized in Delaware in September 2001. JCF is the sole member of Jewish Communal Fund Holdings II, LLC ("Holdings II LLC"). Holdings II LLC is a limited liability, not-for-profit corporation organized in Delaware in 2013. JCF is the sole member of JCF Refleb Holdings, LLC ("Refleb Holdings, LLC") and TA/Jewish Communal Fund Holdings, LLC ("TA Holdings LLC"), which are limited liability, not-for-profit corporations organized in Delaware in 2023. During fiscal-year 2024, JCF became the sole member of JCF CW Holdings LLC ("CW Holdings LLC") and BFH JCF LLC ("BFH LLC"), which are limited liability, not-for-profit corporations organized in Delaware. Holdings LLC, Holdings II LLC, Refleb Holdings, LLC, TA Holdings LLC, CW Holdings LLC and BFH LLC were established for similar purposes, to hold certain donations, as JCF deems necessary.

The financial statements of Holdings LLC, Holdings II LLC, Refleb Holdings, LLC, TA Holdings LLC, CW Holdings LLC and BFH LLC (collectively, the "LLCs") have been included in the consolidated financial statements, with all inter-organizational transactions eliminated in the consolidation process.

JCF is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") and is classified as a publicly supported organization under Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. Additionally, JCF is exempt from state and local income taxes under comparable laws. Donors are entitled to the maximum income tax benefits for their donations that are permitted under present federal and state laws. The LLCs are considered to be disregarded entities for tax purposes, and therefore, the activities of the LLCs are reported in JCF's tax and compliance returns.

[2] Basis of accounting:

The consolidated financial statements of JCF have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, public support and revenue, and expenses, as well as contingent assets and liabilities. Actual results could differ from those estimates.

[4] Cash and cash equivalents:

JCF considers highly liquid investments, purchased with an original maturity of three months or less, to be cash equivalents. Cash and cash equivalents primarily include funds held temporarily by various investment institutions, awaiting disposition. This does not include money-market funds and certificates of deposit, which are included within the investment category.

JEWISH COMMUNAL FUND

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Notes to Consolidated Financial Statements

June 30, 2024 and 2023

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Investments:

Investments in equity securities, bond and equity mutual funds, and all investments in debt securities are reported at their fair values at each fiscal year-end in the consolidated statements of financial position. Purchases of long-term certificates of deposit, with initial maturity dates greater than three months, are included as part of the investment portfolio and are reported at fair value.

As a practical expedient, the fair values of certain investments of JCF are measured using the net asset value ("NAV") per share (or its equivalent unit) of the investments.

JCF has investments in non-readily-marketable securities, which are ownership interests in private equity securities and certain limited partnerships ("LPs") for which market values are not readily obtainable. Because of the complex management structures and nature of the underlying investments and the inherent uncertainty of the valuation of these investments, JCF and its various investment managers monitor their positions to reduce the risk of potential losses due to changes in fair values or the failures of counterparties to perform. The estimated values provided by these managers may differ from actual values had a ready market for these investments existed.

Certain of the funds in which JCF has a position enter into various financial instruments in the normal course of their operations, including derivatives held or issued for trading purposes. These investments are subject to market risks, which arise from changes in securities values and other market conditions. As part of their overall trading strategy, the investment funds may engage in the purchase and sale of index and equity options, for the purpose of generating profit and/or reducing market risk. Due to the level of risk associated with these types of securities, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements. The various managers monitor their positions continuously, to reduce the risk of potential loss due to changes in fair values or to the failure of counterparties to perform.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported in the consolidated statements of activities as increases or decreases in net assets without donor restrictions. Realized gains and losses on investments are determined by comparison of the cost of acquisition to proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investment's cost to the fair value at the end of each year. The earnings from dividends and interest are recognized when earned.

Distributions from limited partnerships and limited liability companies that represent returns of contributed capital reduce the cumulative costs basis of the respective investment. Distributions received from limited partnerships and limited liability companies in excess of JCF's cumulative cost basis are recognized as realized gains.

Donated securities are recorded at their fair values on the date of donation or by the NAV, as determined by the fund manager. JCF's policy is to sell donated securities immediately upon receipt with the exception of donated investments in LLCs, and other certain non-readily-marketable securities, which are sold as soon as reasonably possible, as at times there may be restrictions on the sales of these assets. Accordingly, for purposes of the consolidated statements of cash flows, donated securities received and sold within the same year are reported as operating activities. With respect to equity securities received from donors which, for example: (i) are not readily marketable; (ii) represent ownership interests of private companies; or (iii) are the securities of companies in liquidation, JCF's policy is to record such items at appraised value at the time of donation, in the absence of readily determinable fair values, which approximates a fair value.

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Notes to Consolidated Financial Statements

June 30, 2024 and 2023

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Investments: (continued)

Investment expenses include the services of bank trustees, investment managers and custodians. The balances of investment management fees disclosed in Note B are those specific fees charged by JCF's various investment managers in each fiscal year; however, they do not include those fees that may be embedded in various other investment accounts and transactions.

From time-to-time, investment transactions may be initiated prior to a fiscal year-end but may not be settled until the following fiscal year. Accordingly, amounts to be received or transferred by JCF are reported as "amounts due from" or "due to" investment managers in the consolidated statements of financial position. Likewise, accrued interest or dividends due to JCF at the fiscal year-end are reported as accrued income and other assets in the consolidated statements of financial position.

On June 29, 2023, JCF transferred approximately \$12,025,000 to an investment manager; however, the amount was in transit as of June 30, 2023 and the investment was not funded until July 1, 2023. Accordingly, as of June 30, 2023, this amount was considered cash awaiting investment and was reported as accrued income and other assets in the consolidated statements of financial position. There was no cash awaiting investment as of June 30, 2024.

[6] Website costs:

Website costs related to application development, site configuration and infrastructure, and conceptual design are capitalized. Costs relating to operation and support are expensed as incurred. JCF capitalizes website costs that have a cost of \$5,000 or more and a useful life greater than one year. Capitalized costs are amortized over a five-year expected life using the straight-line method. As of June 30, 2024 and 2023, capitalized website costs are presented net of accumulated amortization of \$268,460 and \$147,153, respectively.

[7] Leases:

JCF determines if an arrangement is a lease at inception. For JCF's operating lease, a right-of-use ("ROU") asset represents JCF's right to use an underlying asset for the lease term, and an operating lease liability represents an obligation to make lease payments arising from the lease. The ROU asset and lease liability are recognized at the lease commencement date based on the present value of lease payments over the lease term. Since JCF's lease agreement does not provide an implicit interest rate, JCF uses an incremental borrowing rate based on the information available at the commencement date in determining the present value of the lease payments. Operating lease expense is recognized on a straight-line basis over the lease term, subject to any changes in the lease or expectations regarding the terms.

[8] Accrued vacation:

Based on their tenure, employees are entitled to be paid for unused vacation time if they leave JCF. The accrued vacation obligation was \$169,222 and \$174,609 for fiscal-years 2024 and 2023, respectively, and is reported as part of accounts payable and accrued expenses in the accompanying consolidated statements of financial position. Employees may accrue up to one year of their vacation time.

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Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Net assets:

(i) Net assets without donor restrictions:

Net assets without donor restrictions represent those resources that are available for current operations, as there are no restrictions by donors regarding their use. It is JCF's policy to record restricted contributions received and expended in satisfaction of the restriction in the same accounting period within the category of "net asset without donor restrictions."

JCF has established five distinct types of philanthropic funds without donor restrictions:

- *Undesignated funds* (at times referred to as the operating fund), where the privilege of grant recommendation is given to the donor (and his or her designees) and the distribution of principal and income is governed by JCF's grant guidelines. Grant-making is subject to the approval of JCF's Board of Trustees and its Charitable Distribution Committee.
- *Designated funds*, where the beneficiaries and the schedule of distributions are established at the time of the gift and are approved by the Charitable Distribution Committee before JCF accepts the gift.
- *Semi-designated funds*, where the field of grant is limited to one or more functional areas and the responsibility is placed on JCF (through its Board of Trustees or the Charitable Distribution Committee) for designating the specific grant beneficiaries and scheduling such grants.
- *Funds functioning as endowment*, where the Board of Trustees and the Special Gifts Fund Committee have the responsibility for grant-making. The income and principal of these funds have been authorized by JCF to be available to meet the needs of the Jewish community, at home and abroad, at the recommendation of UJA and upon the approval of the Board of Trustees.
- *Reserve fund*, established by the Board of Trustees to underwrite the costs of future operations, as needed.

[10] Revenue recognition:

Contributions are reported as increases in net assets without donor restrictions. JCF retains the decision-making authority as to the use of these funds while considering the donor's recommendation. Contributions are recorded as revenue when received unconditionally, at their fair values.

[11] Income taxes:

JCF is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, relating to accounting and reporting for uncertainty in income taxes. JCF is subject to potential unrelated business income tax relating to certain of its investment activities; however, because JCF has always accrued a liability related to this tax and because of JCF's general tax-exempt status, management believes ASC Topic 740 has not had, and is not expected to have, a material impact on JCF's consolidated financial statements.

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Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE A - THE ORGANIZATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Grants:

Grants made to others are recorded as an expense when they become unconditional promises to give by JCF, based on guidelines promulgated by the Board of Trustees. Grants approved by the Board, but unpaid as of fiscal year-end, are reported as grant payables. As of June 30, 2023, grants unpaid at year end were approximately \$89,747,000 and were recorded as grants payable in the accompanying consolidated statements of financial position. All amounts were subsequently paid in July 2023. There were no grants payable as of June 30, 2024.

[13] Functional allocation of expenses:

The costs of providing JCF's various grant and supporting services have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present expenses by functional and natural classification. Accordingly, direct costs have been allocated to the program and supporting services based on the nature of each expense. Indirect expenses have been allocated on the basis of utilization of resources by each JCF department and by employee time allocations.

In fiscal-years 2024 and 2023, management and general expenses in the accompanying consolidated statements of functional expenses included \$188,636 and \$107,939, respectively, related to JCF's philanthropic services for donors, which are expenses charged against the respective donor's fund upon utilizing these services.

[14] Subsequent events:

JCF evaluated subsequent events through November 13, 2024, the date on which the consolidated financial statements were available to be issued.

NOTE B - INVESTMENTS

At each fiscal year-end, investments consisted of the following:

	June 30,			
	2024		2023	
	Fair Value	Cost	Fair Value	Cost
Money-market funds	\$ 13,119,577	\$ 13,119,577	\$ 26,066,829	\$ 26,066,829
Certificates of deposit	4,831,663	4,829,967	4,937,022	4,934,676
U.S. government and agency obligations	924,005,263	918,058,104	1,010,281,166	1,008,090,248
Mutual funds - equities	714,363,126	667,489,673	587,152,554	481,058,959
Asset-backed securities	8,364,212	8,434,412	10,229,156	10,397,949
Corporate bonds	67,694,265	66,808,112	74,624,322	75,692,866
Commercial mortgage-backed securities	38,326,138	38,906,356	34,244,024	35,541,463
Privately managed investments - equities	260,073,388	226,934,345	157,405,871	120,896,102
Mutual funds - bonds	220,252,796	228,114,279	201,736,682	221,525,775
Private equity limited partnerships	124,599,143	81,885,628	182,376,889	121,829,065
Fund of funds	8,215,220	4,473,154	7,465,579	4,455,092
Long/short equity hedge funds and LPs	462,347,762	211,435,156	370,918,475	202,768,539
Non-readily-marketable securities	22,018,000	13,467,296	92,401,657	128,402,524
Foreign bonds	29,149,000	29,149,000	25,720,000	25,720,000
Total funds	<u>\$ 2,897,359,553</u>	<u>\$ 2,513,105,059</u>	<u>\$ 2,785,560,226</u>	<u>\$ 2,467,380,087</u>

JEWISH COMMUNAL FUND

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Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE B - INVESTMENTS (CONTINUED)

JCF has invested in fixed-income securities as part of its investments noted above, which consist of agency mortgage-backed securities ("AMBS"), commercial mortgage-backed securities ("CMBS"), asset-backed securities ("ABS") and investment-grade corporate bonds. In addition, JCF may invest in U.S. Treasury and agency securities and may also purchase U.S. Treasury futures for the purposes of managing duration and yield-curve exposure. A maximum of 30% of the total fair value of the investments may be invested in ABS, CMBS and AMBS, and a maximum of 20% of the total fair value of the investments may be invested in corporate-backed debt. JCF must maintain an overall investment credit quality of AA or better. The average effective duration of the investments may not exceed three years, and leverage is not permitted.

During each fiscal-year, investment income consisted of the following:

	Year Ended June 30	
	2024	2023
Interest and dividends	\$ 41,772,558	\$ 39,803,229
Investment management fees (see Note A[5])	(11,363,982)	(8,066,677)
Total interest and dividends, net	30,408,576	31,736,552
Net realized gains	217,564,600	65,158,359
Net unrealized gains	66,074,355	148,384,636
Total net realized and unrealized gains	283,638,955	213,542,995
Net investment income	\$ 314,047,531	\$ 245,279,547

ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy for fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

- Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments, at the reporting date.
- Level 2: Valuations are based on: (i) quoted prices for similar investments in active markets; or (ii) quoted prices for identical, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.
- Level 3: Valuations are based on pricing inputs that are unobservable and include situations where there is little, if any, market activity for the investments, or the investments cannot be independently valued.

Certain of JCF's investments are valued using NAV (or its equivalent unit) as a practical expedient of fair value. JCF uses NAV (or its equivalent unit) to measure the fair values of the private equity limited partnership, fund of funds, equity hedge funds, and pooled investments. The use of the practical expedient is applicable for investments which (i) do not have a readily determinable fair value; and (ii) the financial statements of which were prepared by the respective investment managers, consistent with the measurement principles of an investment company or that have the attributes of an investment company. Investments valued at NAV (or its equivalent unit) are not required to be categorized within the fair-value hierarchy and, accordingly, have been excluded from the fair-value hierarchy.

JEWISH COMMUNAL FUND

(an entity of a sole member)

Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE B - INVESTMENTS (CONTINUED)

JCF's investments are subject to various risks, such as interest-rate, market and credit risks. Due to the level of risk associated with certain of JCF's investment securities, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

The availability of market data is monitored to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period. During fiscal-year 2024, there was a transfer from Level 3 to Level 1 due to a non-readily marketable security becoming listed and publicly traded. There were no such transfers during fiscal-year 2023.

The following tables summarize the fair values of JCF's assets at each fiscal year-end, in accordance with the ASC Topic 820 valuation levels:

	June 30, 2024				Investments	
	Level 1	Level 2	Level 3	Total	Valued at NAV	Total
Money-market funds	\$ 13,119,577	\$ -	\$ -	\$ 13,119,577	\$ -	\$ 13,119,577
Certificates of deposit	-	4,831,663	-	4,831,663	-	4,831,663
U.S. government and agency obligations	740,921,166	183,084,097	-	924,005,263	-	924,005,263
Mutual funds - equities	714,363,126	-	-	714,363,126	-	714,363,126
Asset-backed securities	-	8,364,212	-	8,364,212	-	8,364,212
Corporate bonds	-	67,694,265	-	67,694,265	-	67,694,265
Commercial mortgage-backed securities	-	38,326,138	-	38,326,138	-	38,326,138
Privately managed investments - equities	245,346,132	14,727,256	-	260,073,388	-	260,073,388
Mutual funds - bonds	220,252,796	-	-	220,252,796	-	220,252,796
Private equity limited partnerships	-	-	839,725	839,725	123,759,418	124,599,143
Fund of funds	-	-	-	-	8,215,220	8,215,220
Long/short equity hedge funds and LPs	-	-	-	-	462,347,762	462,347,762
Non-readily-marketable securities	-	-	22,018,000	22,018,000	-	22,018,000
Foreign bonds	-	-	29,149,000	29,149,000	-	29,149,000
Total funds	\$ 1,934,002,797	\$ 317,027,631	\$ 52,006,725	\$ 2,303,037,153	\$ 594,322,400	\$ 2,897,359,553

	June 30, 2023				Investments	
	Level 1	Level 2	Level 3	Total	Valued at NAV	Total
Money-market funds	\$ 26,066,829	\$ -	\$ -	\$ 26,066,829	\$ -	\$ 26,066,829
Certificates of deposit	-	4,937,022	-	4,937,022	-	4,937,022
U.S. government and agency obligations	752,991,118	257,290,048	-	1,010,281,166	-	1,010,281,166
Mutual funds - equities	587,152,554	-	-	587,152,554	-	587,152,554
Asset-backed securities	-	10,229,156	-	10,229,156	-	10,229,156
Corporate bonds	-	74,624,322	-	74,624,322	-	74,624,322
Commercial mortgage-backed securities	-	34,244,024	-	34,244,024	-	34,244,024
Privately managed investments - equities	150,035,745	7,370,126	-	157,405,871	-	157,405,871
Mutual funds - bonds	201,736,682	-	-	201,736,682	-	201,736,682
Private equity limited partnerships	-	-	1,367,816	1,367,816	181,009,073	182,376,889
Fund of funds	-	-	-	-	7,465,579	7,465,579
Long/short equity hedge funds and LPs	-	-	-	-	370,918,475	370,918,475
Non-readily-marketable securities	-	-	92,401,657	92,401,657	-	92,401,657
Foreign bonds	-	-	25,720,000	25,720,000	-	25,720,000
Total funds	\$ 1,717,982,928	\$ 388,694,698	\$ 119,489,473	\$ 2,226,167,099	\$ 559,393,127	\$ 2,785,560,226

JEWISH COMMUNAL FUND
(an entity of a sole member)

Notes to Consolidated Financial Statements
June 30, 2024 and 2023

NOTE B - INVESTMENTS (CONTINUED)

The following summarizes changes in fair values of JCF's Level 3 assets during each fiscal year:

	Year Ended June 30, 2024			
	Non-Readily- Marketable Securities	Foreign Bonds	Private Equity Limited Partnerships	Total
Transfers out	\$ (92,401,657)	\$ -	\$ -	\$ (92,401,657)
Transfers in	-	-	-	-
Purchases/contributions	12,264,000	6,209,000	-	18,473,000
Sales	-	(2,780,000)	-	(2,780,000)
	<u>\$ (80,137,657)</u>	<u>\$ 3,429,000</u>	<u>\$ -</u>	<u>\$ (76,708,657)</u>

	Year Ended June 30, 2023			
	Non-Readily- Marketable Securities	Foreign Bonds	Private Equity Limited Partnerships	Total
Transfers out	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Purchases/contributions	-	21,725,000	-	21,725,000
Sales	(21,865,932)	(9,240,000)	(2,479)	(31,108,411)
	<u>\$ (21,865,932)</u>	<u>\$ 12,485,000</u>	<u>\$ (2,479)</u>	<u>\$ (9,383,411)</u>

The following provides information on the valuation techniques and nature of significant unobservable inputs used to determine the value of Level 3 assets:

	Valuation Techniques	Fair Value at June 30, 2024	Unobservable Inputs	Range of Inputs
Non-readily-marketable securities	Market approach	\$ 22,018,000	Consensus pricing/ market study	\$474.24 - \$779.05
Foreign bonds	Income approach	\$ 29,149,000	Expected recovery	0.62% - 5.47%
Private equity limited partnerships	Market approach	\$ 839,725	Consensus pricing	\$12.68 - \$12.77

The fair values of certain bonds and non-readily-marketable securities are based on expected recovery and maturity to yield, which are determined by JCF's assumptions about the estimated remaining lives, current market yields, and the interest-rate spreads of similar securities.

JEWISH COMMUNAL FUND

(an entity of a sole member)

Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE B - INVESTMENTS (CONTINUED)

The following table lists investments in other investment companies by major category:

	June 30, 2024			
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Private equity limited partnerships:	\$ 32,224,175	\$ 1,932,132	Closed-end fund; 1 year rolling lock-up	N/A
	5,424,978	-	Quarterly	30-65 days
	74,907,523	83,183,727	Upon liquidation	N/A
	10,656,851	1,333,323	Upon liquidation	In liquidation
	545,891	-	Annually	65-95 days
Fund of funds:	910,030	-	Annually	45 days
	5,913,011	-	Quarterly	60-90 days
	1,392,179	-	Semi-annually	95 days
Long/short equity hedge funds and LPs:	402,214,538	-	Quarterly	30-90 days
	821,511	-	Upon liquidation	In liquidation
	17,967,382	-	Monthly	6-60 days
	14,498,421	-	Semi-annually	60 days
	12,044,290	-	Closed-end fund; 1.5 year lock-up	N/A
	14,801,620	-	1 year rolling lock-up	45 days
	<u>\$ 594,322,400</u>	<u>\$ 86,449,182</u>		

NOTE C - MANAGEMENT FEE ALLOCATION

To pay its operating expenses, JCF charges an administrative fee to all donor-advised funds as described below, with amounts exceeding \$5,000,000 being eligible for a reduced, sliding-scale fee structure. Fees were calculated on average daily balances as follows:

<u>Account Balance</u>	<u>Administrative Fee (Per Annum)</u>
Assets up to \$5,000,000	75 basis points or \$150, whichever is greater
Additional assets between \$5,000,000 and \$20,000,000	50 basis points
Additional assets between \$20,000,000 and \$40,000,000	10 basis points
Additional assets exceeding \$40,000,000	5 basis points

The administrative fee is applied monthly, and it reduces the value of the donor-advised funds and increases the value of JCF's operating fund. Administrative fees and interest income, in excess of operating expenses up to an amount of \$2,000,000, are granted out to UJA. Administrative fees and interest income, in excess of operating expenses greater than \$2,000,000, may be divided among grants to UJA, increases to JCF's Special Gifts Fund, and a reserve for capital projects. The total administrative fees were \$11,789,740 and \$11,032,543 for fiscal-years 2024 and 2023, respectively.

JEWISH COMMUNAL FUND

(an entity of a sole member)

Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE D - EMPLOYEE-BENEFIT PLANS

[1] Defined-contribution plan:

UJA, the sole member of JCF, sponsors a defined-contribution Section 403(b) plan, in which JCF employees may participate, in compliance with the Employee Retirement Income Security Act of 1974 ("ERISA"). Plan participants are required to make contributions to their plan accounts in the form of payroll deductions, up to the maximum allowed by federal law. JCF does not contribute to the plan.

[2] Defined-benefit plan:

JCF employees may participate in the Retirement Plan for Employees of the UJA and Affiliated Agencies and Institutions, a defined-benefit pension plan sponsored by UJA and subject to the provisions of ERISA. The plan is filed under the Employer Identification Number 51-0172429 and Pension Plan Number 333. Eligible employees of JCF participate automatically in this plan on a noncontributory basis and are fully vested after five years of service. Required annual zone certification and financial improvement or rehabilitation plan disclosures are not applicable to the plan. The plan is at least 80%-funded using the most recent financial information as of October 1, 2023, the beginning of the plan year. Total expenses for fiscal-years 2024 and 2023 for this plan were \$206,893 and \$149,850, respectively.

[3] Deferred-compensation plan:

JCF contributed to a deferred-compensation plan for two of its key employees during fiscal-year 2024 and two of its key employees, as well as a former employee during fiscal-year 2023. Annual contributions to the plan are subject to Code limitations. For fiscal-years 2024 and 2023, contributions to the plan were \$45,000 and \$60,500, respectively. Assets related to this plan are grouped within the investments on the consolidated statements of financial position, and the offsetting liability is grouped within accounts payable and accrued operating expenses in the consolidated statements of financial position. During fiscal-year 2023, assets were distributed from the plan to retiring employees and the matching liability was accordingly relieved. As of June 30, 2024 and 2023, respectively, the Plan's investments consisted of mutual funds of approximately \$98,879 and \$44,174. These assets are categorized within mutual fund - bonds in Note B and, accordingly, are within Level 1 of the fair-value hierarchy.

NOTE E - RELATED-PARTY TRANSACTIONS

[1] UJA and JCF:

UJA, the sole member of JCF, provides JCF with pension-participation, and various management services, such as payroll and related processing, and insurance coverage, for which JCF reimburses UJA. For fiscal-years 2024 and 2023, JCF reimbursed UJA for these costs in the amounts of \$3,939,224 and \$4,483,151, respectively. During fiscal-year 2024, JCF awarded grants to UJA totaling \$48,463,697, of which (a) \$2,000,000 represented grants from JCF's operating fund, (b) \$1,607,671 represented grants from the Special Gifts Fund, and (c) \$44,856,026 represented grants from donor-advised funds. During fiscal-year 2023, JCF awarded grants to UJA totaling \$25,825,928, of which (a) \$2,000,000 represented grants from JCF's operating fund, (b) \$1,519,524 represented grants from the Special Gifts Fund, and (c) \$22,306,404 represented grants from donor-advised funds. The expenses related to these transactions appear in the accompanying consolidated statements of activities and the consolidated statements of functional expenses.

[2] Grants awarded and loans:

In addition to the grants awarded to UJA described above, JCF made grants and loans from donor-advised funds in the amounts of \$16,710,277 and \$9,111,216 for fiscal-years 2024 and 2023, respectively, to organizations that have trustees, family members, and/or key employees in common with JCF's Board of Trustees.

JEWISH COMMUNAL FUND
(an entity of a sole member)

Notes to Consolidated Financial Statements
June 30, 2024 and 2023

NOTE F- LEASE AGREEMENT AND OTHER CONTRACTS

[1] Lease agreement:

JCF is obligated under a non-cancellable operating lease that expires in March 2028. The aggregate minimum lease payments are being amortized using the straight-line method over the lease term.

Information relating to the "lease costs," which includes all costs during the period associated with an operating lease, were \$604,422 and \$600,091 as of June 30, 2024 and 2023, respectively. There were no costs related to variable lease components.

The table below summarizes JCF's future minimum lease payments under an operating lease, including a reconciliation to the discounted amount recorded on the consolidated statements of financial position as follows:

Year Ending June 30,	June 30,	
	2024	2023
2024	\$ -	\$ 560,000
2025	565,250	565,250
2026	581,000	581,000
2027	581,000	581,000
2028	435,750	435,750
Total minimum lease payments	2,163,000	2,723,000
Less: amount representing interest	(256,714)	(383,788)
Amount reported on the consolidated statements of financial position	<u>\$ 1,906,286</u>	<u>\$ 2,339,212</u>
	June 30,	
	2024	2023
Weighted average remaining lease term: Operating lease	5 years	6 years
Weighted average remaining lease term: Operating lease	5.43%	5.43%

During fiscal-year 2024, JCF extended the term of its lease to now expire in March 2029.

[2] Other contracts:

In the normal course of operations and activities, JCF enters into various contracts for professional and other services, which are typically renewable on a year-to-year basis.

JEWISH COMMUNAL FUND
(an entity of a sole member)

Notes to Consolidated Financial Statements
June 30, 2024 and 2023

NOTE G - BOARD-DESIGNATED ENDOWMENT

[1] The endowment:

As discussed in Note A[9], JCF has an endowment fund without donor restrictions (Special Gifts Fund), from which grants are approved by the Board of Trustees.

Changes in endowment net assets during each fiscal year were as follows:

	Year Ended	
	June 30,	
	2024	2023
Endowment net assets - beginning of year	\$ 21,302,379	\$ 19,432,204
Net investment income	4,507,348	3,389,699
Appropriation of endowment assets for grant expenditures	(1,607,311)	(1,519,524)
Endowment net assets - end of year	\$ 24,202,416	\$ 21,302,379

[2] Return objectives and risk parameters:

JCF's Board of Trustees has adopted investment and spending policies for endowment assets designed to provide a predictable stream of funding to programs that meet the needs of the Jewish community, at home and abroad, while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk.

[3] Strategies employed for achieving objectives:

To satisfy its long-term rate-of-return objectives, the Board relies on a total-return strategy in which investment returns are achieved through capital appreciation (both realized and unrealized) and current yield (interest and dividends). The Board targets a diversified asset allocation within prudent risk constraints.

[4] Spending policy and related objectives:

JCF's Board of Trustees has a policy of appropriating, for distribution each year, a percentage of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end that precedes the fiscal year in which the distribution is planned. The appropriation spending rate was 5% for both fiscal-years 2024 and 2023, respectively. In establishing this policy, the Board considered the long-term expected return on its endowment. Accordingly, over the long-term, the Board expects the current spending policy to allow its endowment to maintain the purchasing power of the endowment's net assets, as well as to provide additional real growth through investment returns. In addition, during fiscal-year 2024, the Board voted to do a special appropriation from the endowment in the amount of \$500,000 in response to UJA Israel relief. There were no special appropriations from the endowment in fiscal-years 2023.

JEWISH COMMUNAL FUND

(an entity of a sole member)

Notes to Consolidated Financial Statements June 30, 2024 and 2023

NOTE H - LIQUIDITY AND AVAILABILITY OF RESOURCES

JCF's financial assets available within one year of the consolidated statements of financial position date for general expenditure (including operating expenses, scheduled grant payments, and capital calls on investments) are as follows:

	Year Ended June 30,	
	2024	2023
Cash and cash equivalents	\$ 42,652,170	\$ 85,413,441
Investments (excluding private investments with liquidity restrictions)	2,729,786,704	2,612,979,642
Amounts due from investment managers	1,665,539	7,325,504
Accrued income	2,231,955	2,092,540
	<u>2,776,336,368</u>	<u>2,707,811,127</u>
Total financial assets available within one year		
Less:		
Amounts unavailable for expenditure without the Board's approval:		
Designated and semi-designated fund	(23,627,772)	(20,832,064)
Fund functioning as endowment	(24,202,416)	(21,302,379)
Reserve fund	(2,681,442)	(2,558,752)
	<u>(50,511,630)</u>	<u>(44,693,195)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,725,824,738</u>	<u>\$ 2,663,117,932</u>

Liquidity policy:

JCF maintains a sufficient level of operating cash and investments (excluding certain private equity limited partnerships, fund of funds and long/short equity hedge funds and limited partnerships, and mutual fund for deferred compensation due to various restrictions on liquidity) to be available as its grants, general expenditures, liabilities, and other obligations come due, as part of JCF's liquidity management. Additionally, JCF has designated and semi-designated funds, a board-designated fund functioning as an endowment, and a reserve fund, whereby amounts could be made available for current operations, if necessary; however, JCF does not intend to spend these funds for purposes other than those approved by the Board of Trustees.

NOTE I - CREDIT RISK

Financial instruments that potentially subject JCF to concentrations of credit risk consist principally of cash and cash-equivalent accounts that are deposited in financial institutions in amounts which, from time to time, may exceed federal insurance limits. However, management believes that JCF does not face a significant risk of loss on these accounts as the result of failures of these financial institutions. Management monitors the credit risk on an ongoing basis.

JEWISH COMMUNAL FUND

(an entity of a sole member)

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

NOTE J - CONCENTRATION OF REVENUE

During fiscal-year 2024, JCF received contributions of \$174,000,000 from one donor, and during fiscal-year 2023, JCF received \$410,027,630 from two donors, representing 20% and 44% of total contributions received in each year during the same time period.

SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Trustees
Jewish Communal Fund

We have audited the financial statements of Jewish Communal Fund (an entity of a sole member) ("JCF"), as of June 30, 2024 and 2023 and for each of the years then ended, and have issued our report thereon dated November 13, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Grants Made to Various Philanthropic Institutions and Related Expenses for the year ended June 30, 2024 is presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



EISNERAMPER LLP
New York, New York
November 13, 2024

JEWISH COMMUNAL FUND

(an entity of a sole member)

**Schedule of Grants Made to Various Philanthropic Institutions and Related Expenses
Year Ended June 30, 2024**

Community organizations	\$ 193,828,780	18.89%
Culture - general	29,056,301	2.83%
Culture - Jewish	15,925,813	1.55%
Educational - general	188,492,359	18.38%
Educational - Jewish	58,715,146	5.72%
Environment	52,975,263	5.16%
Health	70,750,056	6.89%
Human services	36,408,068	3.55%
International	241,789,957	23.58%
Religious	89,463,085	8.73%
United Jewish Appeal - Federation of Jewish Philanthropies of New York, Inc. (a)	<u>48,463,697</u>	<u>4.72%</u>
Total grants (b)	1,025,868,525	100.00%
Related expenses:	<u>1,407,193</u>	
Total	<u>\$ 1,027,275,718</u>	

(a) Of this balance, (i) \$2,000,000 represents grants made from JCF's operating fund; (ii) \$1,607,671 represents grants made from the Special Gifts Fund; and (iii) \$44,856,026 represents grants made from donor-advised funds.

(b) All grantee organizations are organized and operated exclusively for education, charitable, scientific, literary or religious purposes, as defined in Section 170(c)(2)(B) of the Internal Revenue Code. No grant was made to any private nonoperating foundation, as defined in Section 509(a) of the Code.