JCC Association of North America

Financial Statements
(Together with Independent Auditors' Report)

Years Ended December 31, 2023 and 2022

JEWISH COMMUNITY CENTERS ASSOCIATION OF NORTH AMERICA

FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEARS ENDED DECEMBER 31, 2023 AND 2022

CONTENTS

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Jewish Community Centers Association of North America
New York, NY

Opinion

We have audited the financial statements of Jewish Community Centers Association of North America (the "Association"), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Association as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Association 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 Association'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.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.

- 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 audits 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 Association'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 Association'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.

CBIZ CPAs P.C.[1]

New York, NY
September 30, 2024

JEWISH COMMUNITY CENTERS ASSOCIATION OF NORTH AMERICA
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Cash and cash equivalents (Notes 2D and 16)	$ 6,636,157	$ 4,063,351
Accounts receivable - net (Note 2F)	989,406	1,937,919
Contributions receivable - net (Notes 2E and 5)	5,793,155	7,036,503
Investments, at fair value (Notes 2H, 4, 14 and 15)	23,438,323	22,523,695
Prepaid expenses and other assets (Note 11)	891,817	690,794
Right-of-use asset (Notes 2J and 12)	2,005,945	2,628,828
Property and equipment - net (Notes 2G and 6)	340,189	437,320
TOTAL ASSETS	$ 40,094,992	$ 39,318,410
LIABILITIES		
Accounts payable and accrued expenses	$ 1,611,240	$ 663,777
Accrued salaries and vacation	307,288	355,098
Deferred revenue (Note 2I)	337,986	504,884
Loans payable (Note 7)	1,239,074	2,500,000
Lease liability (Notes 2J and 12)	2,510,515	3,272,329
Accrued pension benefits (Notes 2H, 2L and 9)	1,405,210	2,010,459
Accrued non-pension post-retirement benefits (Notes 2H, 2L and 10)	549,000	546,672
Accrued supplemental pension and retirement benefits (Notes 2H and 11)	369,740	299,114
TOTAL LIABILITIES	8,330,053	10,152,333
COMMITMENTS AND CONTINGENCIES (Note 17)		
NET ASSETS (Note 2C)		
Without donor restrictions:		
Deficit from operations (Note 18)	(5,636,245)	(3,459,767)
Net investment in property and equipment	340,189	437,320
Pension and non-pension post-retirement component (Notes 2K, 9 and 10)	(2,323,950)	(2,856,245)
Total net assets without donor restrictions (Note 18)	(7,620,006)	(5,878,692)
With donor restrictions (Notes 13 and 14)	39,384,945	35,044,769
TOTAL NET ASSETS	31,764,939	29,166,077
TOTAL LIABILITIES AND NET ASSETS	$ 40,094,992	$ 39,318,410

The accompanying notes are an integral part of these financial statements.

JEWISH COMMUNITY CENTERS ASSOCIATION OF NORTH AMERICA
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	For the Year Ended December 31, 2023			For the Year Ended December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total 2023	Without Donor Restrictions	With Donor Restrictions	Total 2022
OPERATING REVENUE AND SUPPORT						
Constituent center dues (Note 2I)	$ 3,438,608	$ -	$ 3,438,608	$ 3,658,802	$ -	$ 3,658,802
Contributions, grants, and bequests (Note 2E)	6,215,998	5,440,426	11,656,424	3,539,600	6,818,603	10,358,203
Program and seminar fees, including contribution portion (Note 2I)	4,909,609	-	4,909,609	1,605,092	-	1,605,092
Board and other annual giving	1,282,308	173,441	1,455,749	1,082,102	260,000	1,342,102
National Funding Council and federations support	639,517	360	639,877	661,667	-	661,667
Investment income used for operations (Notes 4 and 14)	226,878	236,053	462,931	104	474,946	475,050
Rent income	355,471	-	355,471	299,886	-	299,886
Sponsorships and other	423,908	-	423,908	185,766	-	185,766
Net assets released from restrictions (Notes 2B and 13)	4,279,583	(4,279,583)	-	2,501,773	(2,501,773)	-
TOTAL OPERATING REVENUE AND SUPPORT	21,771,880	1,570,697	23,342,577	13,534,792	5,051,776	18,586,568
OPERATING EXPENSES (Note 2L)						
Program services:						
Program enrichment	10,792,907	-	10,792,907	4,532,009	-	4,532,009
Community consultation	2,052,864	-	2,052,864	1,328,847	-	1,328,847
Personnel development	1,996,404	-	1,996,404	1,086,684	-	1,086,684
Direct service to the military	908,773	-	908,773	624,312	-	624,312
Jewish educational services	3,205,371	-	3,205,371	1,220,788	-	1,220,788
Total program services	18,956,319	-	18,956,319	8,792,640	-	8,792,640
Supporting services:						
Management and general	3,458,335	-	3,458,335	2,685,145	-	2,685,145
Fundraising	1,340,558	-	1,340,558	1,933,175	-	1,933,175
Total supporting services	4,798,893	-	4,798,893	4,618,320	-	4,618,320
TOTAL OPERATING EXPENSES	23,755,212	-	23,755,212	13,410,960	-	13,410,960
EXCESS OF OPERATING REVENUE AND SUPPORT OVER OPERATING EXPENSES (Note 2K)	(1,983,332)	1,570,697	(412,635)	123,832	5,051,776	5,175,608
NON-OPERATING ACTIVITY (Note 2K)						
Investment activity (Notes 4 and 14)	226,878	3,005,532	3,232,410	104	(3,462,269)	(3,462,165)
Less: amount used for operations (Note 4)	(226,878)	(236,053)	(462,931)	(104)	(474,946)	(475,050)
TOTAL NON-OPERATING ACTIVITY	-	2,769,479	2,769,479	-	(3,937,215)	(3,937,215)
CHANGE IN NET ASSETS BEFORE PENSION RELATED CHANGES	(1,983,332)	4,340,176	2,356,844	123,832	1,114,561	1,238,393
Pension and post-retirement changes other than net periodic costs (Notes 9 and 10)	242,018	-	242,018	656,031	-	656,031
TOTAL CHANGE IN NET ASSETS	(1,741,314)	4,340,176	2,598,862	779,863	1,114,561	1,894,424
Net assets (deficit) - beginning of year	(5,878,692)	35,044,769	29,166,077	(6,658,555)	33,930,208	27,271,653
NET ASSETS (DEFICIT) - END OF YEAR (Notes 14 and 18)	$ (7,620,006)	$ 39,384,945	$ 31,764,939	$ (5,878,692)	$ 35,044,769	$ 29,166,077

The accompanying notes are an integral part of these financial statements.

JEWISH COMMUNITY CENTERS ASSOCIATION OF NORTH AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	Program Services						Supporting Services				
	Program Enrichment	Community Consultation	Personnel Development	Direct Service to the Military	Jewish Educational Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2023	Total 2022
Salaries	$ 1,636,396	$ 1,114,437	$ 975,942	$ 278,577	$ 423,390	$ 4,428,742	$ 1,204,839	$ 950,062	$ 2,154,901	$ 6,583,643	$ 6,078,050
Payroll taxes and employee benefits (Notes 9, 10 and 11)	484,927	311,858	295,100	95,402	176,977	1,364,264	166,535	242,059	408,594	1,772,858	1,820,699
Total Salaries and Related Costs	2,121,323	1,426,295	1,271,042	373,979	600,367	5,793,006	1,371,374	1,192,121	2,563,495	8,356,501	7,898,749
Supplies and program materials	817,213	675	21,055	35,531	18,165	892,639	26,506	3,610	30,116	922,755	199,605
Rent and maintenance	1,319	557	810	114	2,160	4,960	1,050,895	570	1,051,465	1,056,425	1,086,426
Staff transportation and travel	181,752	14,611	84,681	40,030	30,449	351,523	108,025	34,482	142,507	494,030	390,236
Telephone	2,721	1,518	1,488	1,181	1,730	8,638	28,775	107	28,882	37,520	33,018
Conference, conventions, meetings and project costs	6,247,096	385,710	253,377	123,069	2,390,114	9,399,366	30,667	2,463	33,130	9,432,496	1,835,232
Scholarship and grants	556,400	-	239,954	261,290	98,500	1,156,144	-	-	-	1,156,144	50,845
Postage and shipping	29,838	494	1,954	23,145	568	55,999	-	304	304	56,303	39,117
Computer expenses	94,601	34,676	4,736	1,382	6,811	142,206	384,980	5,188	390,168	532,374	280,946
Other	111,297	11,606	22,373	1,685	-	146,961	72,565	11,272	83,837	230,798	229,063
Consultants and other professional fees	388,181	153,658	65,216	37,963	14,385	659,403	241,234	68,041	309,275	968,678	1,022,186
Membership dues	5,000	99	495	1,306	340	7,240	62,915	2,542	65,457	72,697	55,556
Marketing	168,023	3,559	1,004	43	1,002	173,631	12	3	15	173,646	29,060
Insurance	42,854	9,989	14,525	4,146	31,402	102,916	41,378	10,220	51,598	154,514	125,226
Bad debt expense	-	-	-	-	-	-	-	-	-	-	21,998
Depreciation and amortization	25,289	9,417	13,694	3,909	9,378	61,687	39,009	9,635	48,644	110,331	113,697
TOTAL EXPENSES	$10,792,907	$ 2,052,864	$ 1,996,404	$ 908,773	$ 3,205,371	$ 18,956,319	$ 3,458,335	$ 1,340,558	$ 4,798,893	$ 23,755,212	$ 13,410,960

The accompanying notes are an integral part of these financial statements.

JEWISH COMMUNITY CENTERS ASSOCIATION OF NORTH AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services						Supporting Services			
	Program Enrichment	Community Consultation	Personnel Development	Direct Service to the Military	Jewish Educational Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2022
Salaries	$ 2,067,879	$ 794,428	$ 636,326	$ 264,328	$ 597,111	$ 4,360,072	$ 980,907	$ 737,071	$ 1,717,978	$ 6,078,050
Payroll taxes and employee benefits (Notes 9, 10 and 11)	548,764	212,362	175,348	70,762	159,332	1,166,568	457,118	197,013	654,131	1,820,699
Total Salaries and Related Costs	2,616,643	1,006,790	811,674	335,090	756,443	5,526,640	1,438,025	934,084	2,372,109	7,898,749
Supplies and program materials	122,029	3,825	5,632	23,383	19,025	173,894	19,400	6,311	25,711	199,605
Rent and maintenance	318,845	96,485	100,278	41,655	87,410	644,673	347,278	94,475	441,753	1,086,426
Staff transportation and travel	167,277	29,662	37,012	33,538	20,339	287,828	85,459	16,949	102,408	390,236
Telephone	4,396	1,225	1,335	1,010	1,490	9,456	22,957	605	23,562	33,018
Conference, conventions, meetings and project costs	656,407	7,265	4,441	132,897	263,709	1,064,719	20,474	750,039	770,513	1,835,232
Scholarship and grants	36,126	9	5,349	4	8,678	50,166	534	145	679	50,845
Postage and shipping	12,992	2	36	6,658	2	19,690	16,690	2,737	19,427	39,117
Computer expenses	96,172	30,640	983	408	4,512	132,715	145,444	2,787	148,231	280,946
Other	60,202	772	5,602	2,180	3,635	72,391	150,933	5,739	156,672	229,063
Consultants and other professional fees	350,534	133,199	90,877	31,147	18,747	624,504	298,006	99,676	397,682	1,022,186
Membership dues	540	-	495	3,490	360	4,885	49,621	1,050	50,671	55,556
Marketing	24,148	-	251	4,661	-	29,060	-	-	-	29,060
Insurance	31,354	9,488	12,861	4,096	23,970	81,769	34,167	9,290	43,457	125,226
Bad debt expense	-	-	-	-	-	-	21,998	-	21,998	21,998
Depreciation and amortization	34,344	9,485	9,858	4,095	12,468	70,250	34,159	9,288	43,447	113,697
TOTAL EXPENSES	$ 4,532,009	$ 1,328,847	$ 1,086,684	$ 624,312	$ 1,220,788	$ 8,792,640	$ 2,685,145	$ 1,933,175	$ 4,618,320	$ 13,410,960

The accompanying notes are an integral part of these financial statements.

JEWISH COMMUNITY CENTERS ASSOCIATION OF NORTH AMERICA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 2,598,862	$ 1,894,424
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized (gain) loss on investments	(2,679,688)	4,171,045
Realized gain on investments	(15,282)	(424,124)
Depreciation and amortization	110,331	113,697
Bad debt	-	21,998
Discount on contributions receivable	76,800	(38,270)
Pension and non-pension changes other than net periodic costs	(242,018)	(656,031)
	(150,995)	5,082,739
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	948,513	(592,539)
Contributions receivable	1,166,548	(4,684,130)
Prepaid expenses and other assets	(201,023)	(175,041)
Right-of-use asset	622,883	592,963
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	947,463	295,256
Accrued salaries and vacation	(47,810)	39,384
Deferred revenue	(166,898)	(258,278)
Deferred rent	-	(743,400)
Lease liability	(761,814)	50,538
Accrued pension benefits	(363,231)	538,800
Accrued non-pension post-retirement benefits	2,328	(252,400)
Accrued supplemental pension and retirement benefits	70,626	(50,478)
Net Cash Provided by (Used in) Operating Activities	2,066,590	(156,586)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	15,114,325	2,780,804
Purchases of investments	(13,333,983)	(481,040)
Purchases of property and equipment	(13,200)	(4,200)
Net Cash Provided by Investing Activities	1,767,142	2,295,564
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on loans payable	(1,260,926)	(750,000)
Net Cash Used in Financing Activities	(1,260,926)	(750,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,572,806	1,388,978
Cash and cash equivalents - beginning of year	4,063,351	2,674,373
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,636,157	$ 4,063,351

The accompanying notes are an integral part of these financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

The Jewish Community Centers Association of North America (the "Association") is a not-for-profit agency which provides leadership to the Jewish community center movement of North America, provides services to the North American Jewish community, and serves the social welfare and spiritual needs of Jewish men and women in the armed forces of the USA and veterans of these forces.

The Association is supported by local communities through Jewish Community Center ("JCC") dues, National Federation/Agency Alliance of Jewish Federations of North America ("Alliance"), as well as grants and contributions.

The Association works to strengthen its affiliated JCCs and the entire Jewish center movement of North America through a variety of services as described below:

Program Enrichment Services – This program provides developing signature programs for member JCCs and provides consulting on the programming needs of the JCCs.

Community Consultation Services – This program provides consulting services to JCCs in the area of general management, financial management and governance. In addition, the Mandel Center for Excellence in Leadership and Management has been involved in developing operational benchmarks for JCCs.

Personnel Development – This program deals with all matters related to several thousand professionals working in Jewish Community Centers throughout North America. The program includes recruiting quality professionals to fill vacancies in JCCs; enhancing a JCC's staff retention potential; monitoring and leading changes in personnel practice; studying and publication of trends, including salaries.

Direct Service to the Military – This program works with all branches of the U.S. Military to endorse Jewish Chaplains and to provide services to active duty personnel, their families and those in veterans hospitals.

Jewish Educational Services – This program develops programs for JCCs that have significant Jewish content to operate. In addition, seminars in Israel for professional staff and lay leaders of JCCs are performed through this program.

The Association is a Section 501(c)(3) not-for-profit organization exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (the "Code") and is a publicly supported organization as described in Section 509(a)(1) of the Code. The Association is also exempt from state and local income taxes.

The Association's main office is located in New York, New York. In 1973, the Association established the Israel office as an expression of its commitment to strengthen ties between North American Jewry and Israel, and to serve as a link connecting JCCs and Jewish communities throughout the world. The Israel office sponsors Jewish educational seminars, special programs for JCC leadership and for JCC professionals, and operates JCC membership programs to Israel, continental or community programs for members in a variety of themes. In compliance with the local laws and ordinances in Israel, the office was formally registered in March 1999 as "The Israel Amuta of the Jewish Community Centers Association of North America" (the "Amuta") and is classified as a non-profit organization. The Israel office receives funding allocations from the Association in support of its activities and general operations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Association's financial statements have been prepared on the accrual basis of accounting. The Association adheres to accounting principles generally accepted in the United States of America ("GAAP").

B. The Association reports gifts of cash and other assets as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Without donor restrictions – These represent resources received that have not been restricted by the donor and that have no time restrictions. Such resources are available for support of the Association's operations over which the Board of Directors has discretionary control. This also includes the Association's net investment in property and equipment and the Association's funded status of pension and non-pension post-retirement benefits.

- With donor restrictions – These consist of funds that are restricted by donors for a specific time period or purpose. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, these are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. These also include those resources received subject to donor-imposed stipulations that they be maintained intact and invested in perpetuity by the Association. The income provided is in support of scholarships, program development, Jewish education, general operations and Israel office operations.

D. The Association considers cash equivalents to be all liquid investments with original maturities of 90 days or less when acquired, except money market funds held in its investment portfolio.

E. Contributions receivable are recorded as revenue when the Association is formally notified of the grants or contributions by the respective donors. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. When material, the discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received; amortization of the discounts is included in contribution revenue. Bequests are recognized as revenue when the will has gone through probate and the sum is certain. Historically, the Association has not experienced significant bad debt losses. The Association bases its allowance for doubtful contributions on its historical loss experience considering the age of the receivable. The Association has determined that no allowance was necessary as of both December 31, 2023 and 2022.

As of December 31, 2023 and 2022, the Association received conditional funding from a donor amounting to approximately $2,879,800 and $2,000,000, respectively, which has not been recognized in the accompanying financial statements. This funding will be recognized as revenue when contract barriers are overcome. Such barriers include receiving matching funds in accordance with the donor agreement. If matching funds are not received, the Association may be required to return the funds already remitted.

The Association receives certain contributed goods and services, including professional services. Donated goods are recognized at fair value when received. Donated services are recognized at fair value as revenue if the services enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided through donation. There were no donated goods for both the years ending December 31, 2023 and 2022.

F. Accounts receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. As of December 31, 2023 and 2022, the Association determined that an allowance for doubtful accounts should be provided for accounts receivable in the amount of $22,634. Such estimate is based on management's estimate of the aged basis of its receivables, the creditworthiness of its Jewish Community Centers as well as current economic conditions and historical information.

G. Property and equipment is stated at cost less accumulated depreciation and amortization. These amounts do not purport to represent replacement or realizable values. The Association capitalizes property and equipment with a cost of $2,000 or more and a useful life of greater than one year. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the useful life of the asset or the remaining term of the lease.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. The Association carries its investments at fair value as explained in Note 15. Unrealized and realized gains and losses and investment income are reported in the statements of activities in investment activity as increases or decreases in net assets without donor restrictions unless there are donor restrictions for the use of investment income. It is the Association's policy to make an annual investment allocation for the support of operations of a percentage of the average fair value of investments for the preceding twelve quarters. Amounts allocated to the net assets with donor restrictions are based on donor stipulations.

   Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 15.

I. The Association's program fees are accounted for in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606. Program revenues includes membership, program and seminar fees, as described in Note 1. Program expenses are costs relating to the programs. Program revenues and expenses are recognized in the year in which they are earned or incurred.

   Deferred revenue represents amounts received by the Association for which the Association has not met the conditions or fulfilled a service. Performance obligations are determined based on the nature of the services provided by the Association in accordance with the contract. Revenue for performance obligations satisfied over time is recognized as the services are provided.

   The following table summarizes the activity related to the allowance for credit losses for the year ended June 30, 2024, under the current expected credit loss ("CECL") methodology (Note 2N).

Balance, January 1, 2023	$ -
Charge-offs	-
Provision for credit losses	-
Balance, December 31, 2023	$ -

J. The Association leases real property under operating leases as further described in Note 12. The Association assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. The Association has elected to apply the practical expedients that allow it to discount the lease liability to present value using a risk-free rate.

K. The Association includes in its definition of operations all revenues and expenses that are an integral part of its program and supporting activities, including an authorized interest income allocation and all contributions except for those that are restricted for capital expenditures or have been endowed by donors. Investment income, including net realized and unrealized gains and losses, earned in excess of (or less than) the Association's aggregate authorized spending amount, pension changes other than net periodic costs and contributions to net assets with donor restrictions are recognized as nonoperating activities.

L. The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated (on both an actual and an estimated basis) among the programs and supporting services benefited. The expenses that are allocated include salaries, payroll taxes and employee benefits, occupancy, repairs and maintenance, insurance, equipment lease, depreciation and marketing costs. Salaries and payroll taxes and employee benefits are allocated based on an estimate of time and effort. All other expenses are allocated on the basis of payroll consumed by each functional program area as an indicator of space and support resources usage.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. On January 1, 2023, the Association adopted FASB ASU 2016-03, *Financial Instruments – Credit Losses*, (Topic 326), *Measurement of Credit Losses on Financial Instruments* (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the CECL methodology. CECL requires an estimate of the credit losses for the remaining estimated life of the financial asset using historical experience, current condition and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost to be presented at the net amount expected to be collected by using an allowance for credit losses related to tuition receivables.

The Association adopted ASC 326 and all related subsequent amendments thereto effective January 1, 2023, using the modified retrospective approach for all financial assets measured at amortized costs. The adoption had no effect on the change in net assets as previously reported.

O. Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These changes have no effect on the net assets of the Association.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES

The Association strives to maintain adequate liquid financial assets that, in line with expected operating cash flow, will allow for uninterrupted processing of operating activities throughout the year. Financial assets that are earmarked for restricted activity are kept in separate accounts and reconciled quarterly. Funds are used for operations after each quarterly reconciliation or may be used in advance if cash flow projections indicate that other working capital will not cover these needs. Grant advances, other net assets with donor restrictions for specific purposes, as well as board appropriations from the endowment based on the agency spending policy are invested in a short-term bond program to provide some income with a nominal level of risk.

Endowment funds are invested in a mixed equity and fixed income portfolio to provide for operating draws and long-term growth, as more fully described in Note 14.

The following table reflects the Association's financial assets as of December 31, 2023 and 2022, reduced by amounts that are not available to meet general expenditures within one year of the statements of financial position date because of donor restrictions. Amounts not available are mainly the corpus of endowment gifts. In 2018, the Association's Board of Directors authorized the borrowing of up to $4 million from endowment funds for use in operations through the 2019 calendar year. That authorization was extended in the amount of $3 million for 2020 and beyond, if necessary. The approval was given to recognize the need to invest in the stabilization of the operating budget as the Association re-structures to deliver services to affiliated JCCs and camps in a new way.

The Association's financial assets available to meet cash needs for general expenditures within one year are as follows as of December 31:

	2023	2022
Cash and cash equivalents	$ 6,636,157	$ 4,063,351
Accounts receivable – net	989,406	1,937,919
Contributions receivable – net	5,793,155	7,036,503
Investments, at fair value	23,438,323	22,523,695
Total financial assets	36,857,041	35,561,468
Less: Contribution receivable due in more than one year (net)	(2,825,687)	(3,746,933)
Less: Donor-restricted endowment funds	(21,849,783)	(18,862,178)
	$ 12,181,571	$ 12,952,357

NOTE 4 – INVESTMENTS

Investments consisted of the following as of December 31:

	2023	2022
Money market funds	$ 210,924	$ 323,460
Mutual funds	21,031,778	22,200,235
Alternative investments	2,195,621	-
	$ 23,438,323	$ 22,523,695

The following summarizes the Association's total investment return for the years ended December 31:

	2023	2022
Dividends and interest	$ 588,569	$ 389,630
Realized gain	15,282	882,579
Unrealized gain (loss)	2,679,688	(4,681,937)
Investment fees	(51,129)	(52,437)
Total return on investments	$ 3,232,410	$ (3,462,165)

Designation of investment activity:

	2023	2022
Amounts used for operations	$ 226,878	$ 475,050
Amount considered non-operating	3,005,532	(3,937,215)
	$ 3,232,410	$ (3,462,165)

NOTE 5 – CONTRIBUTIONS RECEIVABLE

Contributions receivable are scheduled to be received as follows as of December 31:

	2023	2022
Amounts due in less than one year	$ 2,967,468	$ 3,332,000
Amounts due in one to five years	2,944,917	3,746,933
Discount (at 4.01% - 4.22%)	(119,230)	(42,430)
	$ 5,793,155	$ 7,036,503

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2023	2022	Estimated Useful Lives
Building and improvements	$ 371,490	$ 358,290	29 years
Leasehold improvements	1,747,043	1,747,043	11-20 years
Furniture, equipment and vehicles	1,346,274	1,346,274	3-10 years
Total	3,464,807	3,451,607	
Less: accumulated depreciation and amortization	(3,124,618)	(3,014,287)	
Total net	$ 340,189	$ 437,320	

NOTE 6 – PROPERTY AND EQUIPMENT (Continued)

Depreciation and amortization expense amounted to $110,331 and $113,697 for the years ended December 31, 2023 and 2022, respectively.

NOTE 7 – LOANS PAYABLE

Loans payable are comprised of the following as of December 31:

	2023	2022
Jewish Community Response and Impact Fund	$ 750,000	$ 2,000,000
Emergency Injury Disaster Loan	489,074	500,000
	$ 1,239,074	$ 2,500,000

In January 2021, the Association received a loan from the Jewish Community Response and Impact Fund ("JCRIF") in the amount of $3,000,000. The loan is interest-free and matures in October 2024. The proceeds of the loan will be used to further the Associations tax-exempt purpose or mission by alleviating cash flow challenges and enabling the Association to maintain services and/or meet payroll obligations in connection with delays or losses of revenue attributable to the COVID-19 pandemic.

In July 2020, the Association received an Emergency Injury Disaster Loan ("EIDL") of $150,000. The Association received this loan through a Small Business Administration ("SBA") authorized lender. During September 2021, the loan amount has been increased from $150,000 to $500,000. The loan bears interest at a fixed rate of 2.75% per annum. The Association may prepay this note in part or in full at any time, without notice or penalty. The Association must pay principal and interest payments of $2,212 every month beginning twenty-four (24) months from the date of the note. All remaining principal and accrued interest is due and payable thirty (30) years from the date of the Note.

Future annual principal payments are as follows for the years ending after December 31, 2023:

2024	$ 776,554
2025	26,544
2026	26,544
2027	26,544
2028	26,544
Thereafter	356,344
	$ 1,239,074

NOTE 8 – RELATED-PARTY TRANSACTIONS

The Florence G. Heller – JCC Association Research Center, Inc. ("Research Center") conducts research projects to help Jewish Community Centers and other Jewish communal agencies improve their services to the Jewish community. A number of Board members of the Research Center are also on the Board of the Association. The Association acts as an agent for the Research Center providing investment and other management services. The value of services contributed to the Research Center is not considered material to the accompanying financial statements. As of both December 31, 2023 and 2022, the Association held $24,698 for the Research Center for use in the Research Center's future operations.

NOTE 9 – PENSION PLANS

Effective September 1, 2005, the Association froze all benefit accruals, discontinued employee contributions and fully vested plan participants who were employed by a participating employer on that date. The frozen plan was a contributory defined benefit pension plan, administered by an insurance company, which was available to all employees of a participating employer who had reached the age of 21 and who had completed one year of service.

	2023	2022
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 6,121,118	$ 7,789,075
Interest cost	280,748	196,837
Actuarial gain (loss)	50,544	(1,142,518)
Benefits paid	(609,230)	(722,276)
Benefit obligation at end of year	5,843,180	6,121,118
Fair value of plan assets	(4,437,970)	(4,110,659)
Unfunded status	$ (1,405,210)	$ (2,010,459)
Amounts recognized in the statements of financial position:		
Net pension liability	$ 1,405,210	$ 2,010,459
Employer contribution	$ 266,701	$ 28,431

As of December 31, 2023 and 2022, the accumulated benefit obligation for the pension plan was $5,843,180 and $6,121,118, respectively.

GAAP requires an employer to: (*a*) recognize in its statements of financial position an asset for a plan's overfunded status or a liability for a plan's underfunded status; (*b*) measure a plan's assets and its obligations that determine its funded status as of the end of the employer's fiscal year and (*c*) recognize changes in the funded status of a defined benefit post-retirement plan in the year in which the changes occur.

The components of net periodic benefit cost are as follows for the pension plan for the years ended December 31:

	2023	2022
Interest cost	$ 280,748	$ 196,837
Expected return on assets	(264,471)	(396,377)
Amortization of net loss	313,569	386,648
Net periodic pension cost	$ 329,846	$ 187,108

Other changes in plan assets and benefit obligations recognized in the change in net assets without donor restrictions are as follows for the years ended December 31:

	2023	2022
Net (gain) loss	$ (354,825)	$ 110,740
Amortization of net loss	(313,569)	(386,648)
	$ (668,394)	$ (275,908)

NOTE 9 – PENSION PLANS (Continued)

Amounts that have not been recognized as components of net periodic benefit costs, but included in net assets without donor restrictions to date as the effect of Accounting Standards Codification ("ASC") 715 are as follows:

	2023	2022
Net actuarial loss	$ 1,934,883	$ 2,603,277

The estimated net loss for the pension plan that will be amortized from the net assets without donor restrictions balance into net periodic benefit cost over the next year is $243,345.

The weighted-average assumptions used to determine the benefit obligation and net periodic benefit cost for the pension plan are as follows as of and for the years ended December 31:

	2023	2022
Discount rate used for net periodic benefit cost	4.85%	2.52%
Discount rate used for pension obligation	4.75%	4.85%
Expected return on plan assets	7.00%	7.00%
Mortality table	RP20C	RP20C

The pension plan's expected rate of return on plan assets is determined by the plan assets' historical long-term investment performance, current asset allocation, and estimates of future long-term returns by asset class.

The following schedule of benefit payments for the pension plan, which are expected to be paid in each of the next five years and in the aggregate for the five years thereafter are as follows:

2024	$ 640,000
2025	620,000
2026	590,000
2027	560,000
2028	540,000
2029-2033	2,230,000

It is the Association's policy to contribute to the plan each year at least the minimum amount determined by actuarial valuation to meet Employee Retirement Income Security Act of 1974 Funding Standards, which may be based on assumptions different from those used to determine net periodic pension cost.

Employer contributions expected to be contributed to the pension plan in 2023 are $266,701. Employees are not required or permitted to contribute to the pension plan effective September 1, 2005.

The assets for the pension plan consist of the following as of December 31, 2023:

	Level 1	Total
Fixed income	$ 4,437,970	$ 4,437,970
	$ 4,437,970	$ 4,437,970

NOTE 9 – PENSION PLANS (Continued)

The assets for the pension plan consist of the following as of December 31, 2022:

	Level 1	Level 2	Total
AXA Equitable Life Insurance Company Guarantee account	$ -	$ 70,659	$ 70,659
Money market funds	27,652	-	27,652
Mutual funds	4,012,348	-	4,012,348
	$ 4,040,000	$ 70,659	$ 4,110,659

Effective September 1, 2005, the Association established a defined contribution profit sharing retirement plan for eligible employees. All employees who have completed one year of service are eligible for the Plan. During the years ended December 31, 2023 and 2022, the Association incurred expenses amounting to $197,131 and $162,322 for contributions to the Plan, respectively.

NOTE 10 – NON-PENSION POST-RETIREMENT BENEFITS

The Association provides health care benefits to certain retirees. Active employees who joined the Association prior to October 1, 2003 are entitled to health care benefits if they leave the Association after they have reached the age of 62 and have provided 15 years of service. The Association will pay 50% of the premiums for these employees. A frozen amount of life insurance is provided to a closed group of retirees. Except for certain participants covered under a prior plan, no insurance is provided to future retirees.

The funded status of the plan is as follows as of December 31:

	2023	2022
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 546,672	$ 799,072
Service cost	3,589	7,677
Interest cost	25,695	19,797
Actuarial gain (loss)	15,919	(231,331)
Benefits paid	(42,875)	(48,543)
Unfunded status	$ (549,000)	$ (546,672)
Amounts recognized in the statements of financial position:		
Accrued non-pension post-retirement benefits	$ 549,000	$ 546,672
Employer contributions	$ 42,875	$ 48,543

Amounts that have not been recognized as components of net periodic benefit costs, but included in net assets without donor restrictions were as follows as of December 31:

	2023	2022
Unamortized prior service cost	$ (19,425)	$ (32,909)
Gain	629,141	834,288
	$ 609,716	$ 801,379

NOTE 10 – NON-PENSION POST-RETIREMENT BENEFITS (Continued)

The periodic post-retirement benefit costs are as follows for the years ended December 31:

	2023	2022
Service cost	$ 3,589	$ 7,677
Interest cost	25,695	19,797
Amortization of prior service cost	13,484	13,484
Amortization of gain	(189,228)	(93,069)
Net post-retirement benefit cost	$ (146,460)	$ (52,111)

Other changes in post-retirement plan assets and benefit obligations recognized in the change in net assets without donor restrictions are as follows for the years ended December 31:

	2023	2022
Net actuarial gain (loss)	$ 15,919	$ (231,331)
Amortization of actuarial gain (loss)	189,228	93,069
Amortization of prior service cost	(13,484)	(13,484)
	$ 191,663	$ (151,746)

The weighted-average assumptions to determine the benefit obligation and net periodic benefit cost are as follows as of and for the years ended December 31:

	2023	2022
Discount rate used to determine benefit obligations	4.85%	4.93%
Discount rate used to determine net periodic benefit cost	4.93%	2.58%

The following schedule of benefit payments (net of expected participant contributions), which reflects expected future services, as appropriate, are expected to be paid in each of the next five years and in the aggregate for the five years thereafter:

2024	$ 53,600
2025	49,200
2026	45,900
2027	45,400
2028	43,300
2029 - 2033	191,900

The following table presents the health care cost trend rate assumed for next year, the ultimate trend rate, and the year in which the rate reaches the ultimate rate:

Health care cost trend rate assumed for next year	6.500%
Ultimate trend rate to which the cost trend rate is expected to decline	4.5%
Year that the rate reaches the ultimate trend rate	2032

NOTE 11 – SUPPLEMENTAL PENSION AND RETIREMENT BENEFITS

The Association established a 457(b) deferred compensation plan (the "Plan"). The Plan is maintained primarily for the purpose of providing deferred compensation benefits for a select group of the Association's management. The assets in the Plan amounted to $369,740 and $299,114 as of December 31, 2023 and 2022, respectively, and are included under prepaid expenses and other assets on the accompanying statements of financial position. Such assets are self-directed by the individuals and consist of a variety of investments. Liabilities under the Plan amounted to $369,740 and $299,114 as of December 31, 2023 and 2022, respectively, and are reflected as accrued supplemental pension and retirement benefits on the accompanying statements of financial position.

NOTE 12 – OPERATING LEASES

Effective December 30, 2005, the Association entered into a twenty-year-and-four-month operating lease agreement for office space located at 520 Eighth Avenue, New York City. This lease commenced on July 10, 2006. The lease includes an annual rental escalation of 2% per year commencing in the second year of the lease and continuing in succeeding years thereafter for the term of the lease. On January 22, 2010, the Association entered into a temporary reduced payment deferral agreement effective January 1, 2010 and ending December 31, 2012. Under this agreement, the rental payments for three years were reduced by $450,000, of which $150,000 may be waived by the landlord if the timely payments of rent obligations were made by the Association, and the remaining $300,000 shall be paid to the landlord commencing January 1, 2013 through November 30, 2026. As of December 31, 2023 and 2022, the right-of-use asset amounted to $2,005,945 and $2,628,828, respectively, and the lease liability amounted to $2,510,515 and $3,272,329, respectively, on the accompanying statements of financial position. The weighted average of the remaining lease term is 2.84 and 3.84 years for the years ended December 31, 2023 and 2022, respectively. The weighted average discount rate is 4.14% for each of the years ended December 31:

	2023	2022
Operating cash flow from operating leases	$ 880,766	$ 1,012,788

The following is a schedule by years of the future lease payments for the years ending after December 31, 2023:

2024	$ 897,950
2025	915,478
2026	854,824
	2,668,252
Less: Discount to present value	(157,737)
	$ 2,510,515

The Association subleases a portion of its office space to several organizations under year-to-year agreements. Sublease revenue for the years ended December 31, 2023 and 2022 amounted to $355,471 and $299,886, respectively.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consists of the following as of December 31:

	2023	2022
Time restricted	$ 4,059,481	$ 3,718,832
Specific program support	14,278,348	11,245,936
Scholarship	1,957,462	1,504,818
Research	1,848,821	1,528,123
Jewish education	611,797	448,175
Facility	229,050	184,064
Total restricted for purpose and time	22,984,959	18,644,783
Endowment corpus	16,399,986	16,399,986
Net assets with donor restrictions	$ 39,384,945	$ 35,044,769

Net assets with donor restrictions of $4,279,583 and $2,501,773 were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of other events specified by donors during the years ended December 31, 2023 and 2022, respectively.

NOTE 14 – ENDOWMENT FUNDS

ASC 958-205 provides guidance on the net asset classifications of donor-restricted endowment funds for a not-for-profit organization that is subject to the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”). ASC 958-205 also improves disclosure about the Association’s endowment funds and whether or not the Association is subject to UPMIFA.

The Association’s Board of Directors has interpreted New York State nonprofit law, the New York Prudent Management of Institutional Funds Act, which permits the Board to appropriate for expenditure all earnings of such donor-restricted endowment funds (both realized and unrealized) in a prudent manner, with a rebuttable presumption of imprudence if appropriations exceed 7% of the average balance calculated using the quarterly balances over the previous five-year period. The Association's spending policy in 2023 and 2022 was to appropriate 4.5% of the average balance calculated using the quarterly balances over the previous three-year period. Any unappropriated earnings that would otherwise be considered net assets without donor restrictions are reflected as net assets with donor restrictions. Appropriations under the spending policy are included in net assets released from restrictions, once the restriction has been met.

In 2013, the Board approved a loan from the endowment to operations in the amount of approximately $1 million, which was taken over a three-year period. The loan was used to fund the Association’s contributions to its pension plans. The loan is being repaid back into the endowment over time. As of both December 31, 2023 and 2022, the outstanding loan balance amounted to $959,100, which is included in the endowment corpus.

NOTE 14 – ENDOWMENT FUNDS (Continued)

Changes in endowment net assets for the year ended December 31, 2023 are as follows:

	Unappropriated Earnings	Endowment Corpus	Total
Endowment net assets, beginning of year	$ 2,462,192	$ 16,399,986	$ 18,862,178
Investment activity:			
Interest and dividends	310,562	-	310,562
Unrealized and realized gain on investments	2,694,970	-	2,694,970
Total investment activity	3,005,532	-	3,005,532
Amounts appropriated for operations	(236,053)	-	(236,053)
Endowment net assets, end of year	$ 5,231,671	$ 16,399,986	$ 21,631,657

Changes in endowment net assets for the year ended December 31, 2022 are as follows:

	Unappropriated Earnings	Endowment Corpus	Total
Endowment net assets, beginning of year	$ 6,399,407	$ 16,399,986	$ 22,799,393
Investment activity:			
Interest and dividends	337,089	-	337,089
Unrealized and realized loss on investments	(3,799,358)	-	(3,799,358)
Total investment activity	(3,462,269)	-	(3,462,269)
Amounts appropriated for operations	(474,946)	-	(474,946)
Endowment net assets, end of year	$ 2,462,192	$ 16,399,986	$ 18,862,178

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Association to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. As of December 31, 2023 and 2022, there were no funds with permanently restricted balances that had a deficiency in the fair market value of the underlying investments.

NOTE 15 – FAIR VALUE MEASUREMENTS

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

NOTE 15 – FAIR VALUE MEASUREMENTS (Continued)

Financial assets carried at fair value at December 31, 2023, are classified in the table as follows:

	Level 1	Total
ASSETS CARRIED AT FAIR VALUE		
Investments:		
Money market funds	$ 210,924	$ 210,924
Mutual funds	21,031,778	21,031,778
	21,242,702	21,242,702
Investments measured using net asset value as a practical expedient		2,195,621
Total investments, at fair value		23,438,323
457(b) Plan – mutual funds		
Mutual funds	369,740	369,740
	369,740	369,740
	$ 21,612,442	$ 23,808,063

Financial assets carried at fair value at December 31, 2022, are classified in the table as follows:

	Level 1	Total
ASSETS CARRIED AT FAIR VALUE		
Investments:		
Money market funds	$ 323,460	$ 323,460
Mutual funds	22,200,235	22,200,235
	22,523,695	22,523,695
457(b) Plan – mutual funds		
Mutual funds	299,114	299,114
	$ 22,822,809	$ 22,822,809

The Association's alternative investments consist of an investment in one fund which trades equities, fixed income products, options, futures and other financial instruments.

Fair Value of Investments in Entities that use Net Asset Value

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient:

	Fair Value – December 31, 2023	Fair Value – December 31, 2022	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Ironwood Multi-Strategy Fund LLC	$ 1,107,071	$ -	$ -	Quarterly	90 days
Evanston Alternative Opportunities Fund	1,088,550	-	-	Quarterly	90 days
Total	$ 2,195,621	$ -	$ -		

NOTE 16 – CONCENTRATION OF CREDIT RISK

Cash that potentially subjects the Association to a concentration of credit risk includes cash accounts with a bank that exceeded the Federal Deposit Insurance Corporation ("FDIC") insurance limits of up to $250,000 per depositor. As of December 31, 2023 and 2022, the Association had cash balances that exceeded the FDIC insurance limits by approximately $5,832,000 and $3,546,000, respectively. Such excess includes outstanding checks.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

A. The Association entered into a ten-year agreement with its former CEO, who retired as of March 31, 2015, to provide consulting services for a fixed number of hours per year upon his retirement. Total future minimum payments under the agreement, which includes premiums for various benefit plans, amount to the following:

2024	$ 31,594
	$ 31,594

B. The Association believes it had no uncertain tax positions as of December 31, 2023 and 2022, in accordance with ASC Topic 740, "Income Taxes", which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 18 – DEFICIT IN WITHOUT DONOR RESTRICTED NET ASSETS

As of December 31, 2023, the Association's net assets without donor restrictions stood at a deficit balance of $7,619,847. After subtracting the items that relate to the Association's net investment in property and equipment, pension and other post-retirement benefits, the Association has a deficit from operations of $6,005,826 as of December 31, 2023. It is the intention of the Association to reduce the deficit over a period of time by increasing funding through individual and corporate giving, private foundations, and program and seminar fees. The Association manages its cash flow and working capital as more fully described in Note 3.

NOTE 19 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through September 30, 2024 the date the financial statements were available to be issued.