

**JEWISH FEDERATION OF DELAWARE, INC.**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS**

**JUNE 30, 2019 AND 2018**

**JEWISH FEDERATION OF DELAWARE, INC.**  
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**JUNE 30, 2019 AND 2018**

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Certified Public Accountants

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*Independent Auditors' Report*

To the Board of Directors  
Jewish Federation of Delaware, Inc.

We have audited the accompanying financial statements of Jewish Federation of Delaware, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

To the Board of Directors  
Jewish Federation of Delaware, Inc.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Federation of Delaware, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Belfint, Lyons & Shuman, P.A.*

December 20, 2019  
Wilmington, Delaware

**JEWISH FEDERATION OF DELAWARE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**

**ASSETS**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,388,897	\$ 576,955
Pledges Receivable - Annual Campaigns, Net	484,342	583,972
Pledges Receivable - Capital Campaign, Net	253,017	253,017
Accounts Receivable	25,238	25,828
Prepaid Expenses	76,795	91,509
Notes Receivable	210,000	210,000
Investments - at Fair Value	27,892,732	25,912,799
Cash Surrender Value - Life Insurance	490,234	491,977
Property and Equipment, Net	11,354,832	11,799,710
<b>TOTAL ASSETS</b>	<b>\$ 42,176,087</b>	<b>\$ 39,945,767</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Allocations Payable	\$ 1,125,177	\$ 1,041,882
Accounts Payable and Accrued Expenses	179,245	51,448
Investments and Cash Held for Others	13,164,999	11,368,510
Loan Payable	923,719	923,719
<b>TOTAL LIABILITIES</b>	<b>15,393,140</b>	<b>13,385,559</b>
<b>NET ASSETS</b>		
Without Donor Restrictions		
Board Designated for Endowment	7,439,347	7,252,329
Board Designated for Capital Reserve	531,439	398,972
Undesignated	10,898,988	11,310,627
Total Net Assets Without Donor Restrictions	18,869,774	18,961,928
With Donor Restrictions	7,913,173	7,598,280
<b>TOTAL NET ASSETS</b>	<b>26,782,947</b>	<b>26,560,208</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 42,176,087</b>	<b>\$ 39,945,767</b>

**JEWISH FEDERATION OF DELAWARE, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUE, GAINS, AND OTHER SUPPORT</b>			
Contributions	\$ 2,744,719	\$ 384,936	\$ 3,129,655
Rent	1,233,963	-	1,233,963
Advertising Income	96,084	-	96,084
Program Fees - Investment Management	82,905	-	82,905
Subscription Income	3,426	-	3,426
Net Assets Released from Restrictions to Satisfy Programs	515,482	(515,482)	-
<b>TOTAL REVENUE, GAINS, AND OTHER SUPPORT</b>	<b>4,676,579</b>	<b>(130,546)</b>	<b>4,546,033</b>
<b>ALLOCATIONS AND EXPENSES</b>			
Allocations to Local Agencies and Overseas - Program	1,142,462	-	1,142,462
Functional Expenses - Other			
Program Services	2,584,284	-	2,584,284
Supporting Services			
Management and General	262,289	-	262,289
Fundraising	259,802	-	259,802
<b>Total Supporting Services</b>	<b>522,091</b>	<b>-</b>	<b>522,091</b>
<b>Total Functional Expenses</b>	<b>3,106,375</b>	<b>-</b>	<b>3,106,375</b>
<b>TOTAL ALLOCATIONS AND EXPENSES</b>	<b>4,248,837</b>	<b>-</b>	<b>4,248,837</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>427,742</b>	<b>(130,546)</b>	<b>297,196</b>
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Capital Campaign Contributions	-	180	180
Net Appreciation - Realized and Unrealized	147,310	153,515	300,825
Interest and Dividend Income, Net	217,288	291,924	509,212
Endowment Fund Allocations	(884,674)	-	(884,674)
Net Assets Released from Restrictions to Satisfy			
Capital Campaign Contributions	180	(180)	-
<b>TOTAL NONOPERATING REVENUE (EXPENSES)</b>	<b>(519,896)</b>	<b>445,439</b>	<b>(74,457)</b>
<b>CHANGE IN NET ASSETS</b>	<b>(92,154)</b>	<b>314,893</b>	<b>222,739</b>
<b>NET ASSETS - Beginning of Year</b>	<b>18,961,928</b>	<b>7,598,280</b>	<b>26,560,208</b>
<b>NET ASSETS - End of Year</b>	<b>\$ 18,869,774</b>	<b>\$ 7,913,173</b>	<b>\$ 26,782,947</b>

<b>2018</b>		
<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
\$ 2,592,605	\$ 141,250	\$ 2,733,855
1,186,533	-	1,186,533
99,620	-	99,620
108,249	-	108,249
2,368	-	2,368
505,957	(505,957)	-
<u>4,495,332</u>	<u>(364,707)</u>	<u>4,130,625</u>
<u>1,061,035</u>	<u>-</u>	<u>1,061,035</u>
<u>2,461,291</u>	<u>-</u>	<u>2,461,291</u>
208,653	-	208,653
269,617	-	269,617
<u>478,270</u>	<u>-</u>	<u>478,270</u>
<u>2,939,561</u>	<u>-</u>	<u>2,939,561</u>
<u>4,000,596</u>	<u>-</u>	<u>4,000,596</u>
<u>494,736</u>	<u>(364,707)</u>	<u>130,029</u>
-	180	180
323,059	383,923	706,982
175,898	245,543	421,441
(745,921)	-	(745,921)
<u>180</u>	<u>(180)</u>	<u>-</u>
<u>(246,784)</u>	<u>629,466</u>	<u>382,682</u>
247,952	264,759	512,711
<u>18,713,976</u>	<u>7,333,521</u>	<u>26,047,497</u>
<u>\$ 18,961,928</u>	<u>\$ 7,598,280</u>	<u>\$ 26,560,208</u>

**JEWISH FEDERATION OF DELAWARE, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>				<b>Total Program and Supporting Services</b>
	<b>Program Services</b>	<b>Supporting Services</b>		<b>Total Supporting Services</b>	
		<b>Management and General</b>	<b>Fundraising</b>		
<b>SALARIES AND RELATED EXPENSES</b>					
Salaries	\$ 466,195	\$ 126,551	\$ 185,845	\$ 312,396	\$ 778,591
Employee Benefits	34,401	24,241	19,665	43,906	78,307
Payroll Taxes	28,325	8,842	11,737	20,579	48,904
<b>TOTAL SALARIES AND RELATED EXPENSES</b>	<b>528,921</b>	<b>159,634</b>	<b>217,247</b>	<b>376,881</b>	<b>905,802</b>
<b>OTHER EXPENSES</b>					
Advertising	8,445	7,648	12	7,660	16,105
Bad Debt Expense	9,508	-	-	-	9,508
Conferences and Travel	5,206	2,388	2,909	5,297	10,503
Facilities Management (FMB)	1,192,787	-	-	-	1,192,787
Insurance	-	5,427	-	5,427	5,427
Interest	33,456	-	-	-	33,456
Merchant Fees	503	-	7,805	7,805	8,308
Office Expenses, Subscriptions, Printing, and Dues	69,387	29,419	6,911	36,330	105,717
Postage	12,482	5,819	10	5,829	18,311
Professional Services	53,940	48,869	9,762	58,631	112,571
Program and Event Expenditures	56,024	-	15,130	15,130	71,154
Telephone	-	3,085	16	3,101	3,101
<b>TOTAL OTHER EXPENSES</b>	<b>1,441,738</b>	<b>102,655</b>	<b>42,555</b>	<b>145,210</b>	<b>1,586,948</b>
Depreciation	613,625	-	-	-	613,625
Allocations to Local Agencies and Overseas	1,142,462	-	-	-	1,142,462
Endowment Fund Allocations	884,674	-	-	-	884,674
<b>TOTAL EXPENSES</b>	<b>4,611,420</b>	<b>262,289</b>	<b>259,802</b>	<b>522,091</b>	<b>5,133,511</b>
Less: Allocations to Local Agencies and Overseas	(1,142,462)	-	-	-	(1,142,462)
Less: Endowment Fund Allocations	(884,674)	-	-	-	(884,674)
<b>TOTAL EXPENSES REPORTED ON STATEMENT OF ACTIVITIES</b>	<b>\$ 2,584,284</b>	<b>\$ 262,289</b>	<b>\$ 259,802</b>	<b>\$ 522,091</b>	<b>\$ 3,106,375</b>



**2018**

<b>Program Services</b>	<b>Supporting Services</b>		<b>Total Supporting Services</b>	<b>Total Program and Supporting Services</b>
	<b>Management and General</b>	<b>Fundraising</b>		
\$ 436,733	\$ 81,647	\$ 158,614	\$ 240,261	\$ 676,994
36,234	14,037	21,607	35,644	71,878
20,537	8,086	9,930	18,016	38,553
<u>493,504</u>	<u>103,770</u>	<u>190,151</u>	<u>293,921</u>	<u>787,425</u>
7,750	4,061	11,398	15,459	23,209
23,200	-	-	-	23,200
5,738	1,817	2,318	4,135	9,873
1,128,199	-	-	-	1,128,199
-	4,363	-	4,363	4,363
29,799	-	-	-	29,799
-	-	8,895	8,895	8,895
62,044	35,277	12,036	47,313	109,357
15,112	5,884	1,672	7,556	22,668
32,737	50,824	32,265	83,089	115,826
43,361	-	10,882	10,882	54,243
65	2,657	-	2,657	2,722
1,348,005	104,883	79,466	184,349	1,532,354
619,782	-	-	-	619,782
1,061,035	-	-	-	1,061,035
745,921	-	-	-	745,921
4,268,247	208,653	269,617	478,270	4,746,517
(1,061,035)	-	-	-	(1,061,035)
(745,921)	-	-	-	(745,921)
<u>\$ 2,461,291</u>	<u>\$ 208,653</u>	<u>\$ 269,617</u>	<u>\$ 478,270</u>	<u>\$ 2,939,561</u>

**JEWISH FEDERATION OF DELAWARE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Contributors	\$ 3,221,701	\$ 2,757,887
Interest and Dividends Received, Net	509,212	421,441
Cash Received from Advertisers and Subscribers	101,110	105,310
Rent Received	1,232,953	1,175,538
Cash Paid to Local Agencies and Overseas	(1,059,167)	(1,056,258)
Cash Paid to Employees and Suppliers	(3,242,300)	(3,102,244)
Interest Paid	(33,456)	(29,799)
	<b>730,053</b>	<b>271,875</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net Sales of Investments	2,232,261	1,986,109
Net Purchase of Investments	(3,234,783)	(2,146,078)
Cash Paid for Property and Equipment	(118,397)	(83,879)
	<b>(1,120,919)</b>	<b>(243,848)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net Cash (Paid for) Received from Investments Held for Others	1,202,808	(277,438)
	<b>1,202,808</b>	<b>(277,438)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>811,942</b>	<b>(249,411)</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<b>576,955</b>	<b>826,366</b>
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	<b>\$ 1,388,897</b>	<b>\$ 576,955</b>
<b>NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Increase in Investments and Investments Held for Others from		
Realized Gains on Investments	\$ 225,622	\$ 167,930
Unrealized Gains on Investments	\$ 12,303	\$ 409,925
Accounts Payable Incurred to Acquire Equipment	\$ 50,350	\$ -

**JEWISH FEDERATION OF DELAWARE, INC.**  
**STATEMENTS OF CASH FLOWS - CONTINUED**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 222,739	\$ 512,711
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	613,625	619,782
Realized Gain on Investments	(283,403)	(209,124)
Unrealized Gain on Investments	(17,422)	(497,858)
Fee Income - Allocated from Investments Held for Others	(82,905)	(108,249)
Bad Debt Expense	9,508	23,200
Decrease (Increase) in Cash Surrender Value - Life Insurance	1,743	(6,151)
Change in Assets		
Pledges Receivable	90,122	30,003
Accounts Receivable	590	(7,673)
Prepaid Expenses	14,714	(5,340)
Change in Liabilities		
Allocations Payable	83,295	4,777
Accounts Payable and Accrued Expenses	77,447	(84,203)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 730,053</b>	<b>\$ 271,875</b>

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Activities* - The Jewish Federation of Delaware, Inc. (Federation) is a nonprofit organization located in Wilmington, Delaware. The Federation's mission is to mobilize the Jewish Community to address issues, meet needs, and build an agenda for the future. The Federation is the central fundraising and community planning agency for the Jewish community of Delaware and the greater Brandywine Valley. The Federation's primary program in furtherance of its mission is management of the Jewish Fund for the Future.

*Basis of Accounting* - The Federation prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting. Revenue and gains are recognized when earned, and expenses and losses are recognized when incurred.

*Financial Statement Presentation* - In accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, *Not-for-Profit Entities*, the Federation is required to report information regarding its financial position and activities according to two classes of net assets: with or without donor restrictions.

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions, although their use may be limited by board designation.

*Net Assets With Donor Restrictions* - Net assets subject to donor- or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

*Contributions* - In accordance with FASB ASC 958, contributions received are recorded as with or without donor restricted support, depending on the existence and/or nature of any donor restrictions. Unconditional promises to make contributions are recorded as support in the period the Federation receives the promise. Promises to make contributions that are expected to be paid over a period in excess of one year are discounted and recorded at their present value. Conditional promises to make contributions are recorded as support in the period the condition is met.

*Functional Allocation of Expenses* - The costs of providing the various programs have been summarized on a functional basis in the statements of activities and statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on a reasonable basis that is consistently applied. Salaries and related expenses are allocated based on time and effort. All other shared expenses are allocated based on direct cost.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Use of Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Recognition of Donor Restrictions* - All donor-restricted support is reported as an increase to net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, 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.

*Cash Equivalents* - The Federation considers all highly liquid instruments with a maturity of three months or less when purchased to be cash equivalents.

*Property and Equipment* - Property and equipment with a cost of \$1,000 and greater and an estimated useful life in excess of one year are capitalized at cost if purchased and at fair value if donated. Depreciation of property and equipment is provided by use of the straight-line method over the estimated useful lives of the related assets, ranging from three to forty years.

*Income Taxes* - The Federation is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Federation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been determined by the Internal Revenue Service (IRS) not to be a “private foundation” within the meaning of Section 509(a)(2) of the IRC.

Income not related to the Federation’s tax-exempt purpose may be subject to taxation as unrelated business income. Accounting principles generally accepted in the United States of America impose a threshold for determining when an income tax benefit can be recognized in regard to uncertain tax positions. The Federation has determined that no liability for uncertain tax positions is required to be accrued and included in the statements of financial position as of June 30, 2019 and 2018.

The federal informational returns of the Federation for the years ended June 30, 2016, 2017, and 2018 are subject to examination by the tax authorities, generally for three years after they were filed.

*Advertising* - Advertising costs are charged to operations when incurred.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Operating and Nonoperating Classifications* - Revenue, gains, support, and expenses are classified in the statements of activities as operating and nonoperating. The operating classification includes contributions, rental income, advertising and subscription income, and expenses of operating the Federation. The nonoperating classification includes capital contributions, interest and dividend income, realized gains and losses on investments, unrealized gains and losses on investments, endowment fund allocations, and gains (losses) on the disposal of property and equipment.

*Allowance for Uncollectible Receivables* - Pledges receivable are stated net of an allowance for uncollectible accounts. The Federation estimates the allowance based on its historical experience of the relationship between actual bad debt and net amount pledged. The Federation also takes into consideration an analysis of specific donors, the age of past due amounts, and an assessment of the donor's ability to pay. The allowance for uncollectible accounts for pledges receivable was \$89,410 and \$183,930 as of June 30, 2019 and 2018, respectively. The allowance for uncollectible accounts for pledges receivable - capital campaign was \$81,300 as of June 30, 2019 and 2018.

*Investments* - In accordance with FASB ASC 958-320, *Investments - Debt and Equity Securities*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains and losses restricted by a donor are reported as increases or decreases in net assets with donor restrictions in the reporting period in which the income and gains or losses are recognized.

*Allocations Payable* - The Federation awards allocations (grants) to other organizations. The allocations are recognized as an expense in the period the allocation is determined and approved by the Federation.

*Change in Accounting Principle* - On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Federation has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented.

A key change required by ASU 2016-14 are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions. A summary of the net asset classifications resulting from the adoption of ASU 2016-14 is presented in Note 16.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Subsequent Events* - The Federation's policy is to evaluate events and transactions subsequent to its year end for potential recognition in the financial statements or disclosure in the notes to the financial statements. Management has evaluated events and transactions through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

**NOTE 2: AVAILABILITY AND LIQUIDITY**

The following reflects the Federation's financial assets as of the date of the statement of financial position, reduced by amounts not available for general use because of contractual, board-designated, or donor-imposed restrictions within one year of the statement of financial position date:

Financial Assets as of June 30, 2019	
Cash and Cash Equivalents	\$ 1,388,897
Pledges Receivable - Annual Campaigns, Net	484,342
Pledges Receivable - Capital Campaign, Net	253,017
Accounts Receivable	25,238
Notes Receivable	210,000
Investments - at Fair Value	<u>27,892,732</u>
 Total Financial Assets as of June 30, 2019	 30,254,226
Less: Those Unavailable for General Expenditures Within One Year, Due to:	
Investments and Cash Held for Others	(13,164,999)
Donor Restricted - Endowment Funds in Excess of Annual Spending Policy	(7,652,780)
Board Designated - Endowment Funds in Excess of Annual Spending Policy	(7,227,624)
Board Designated for Capital Reserve	(531,439)
Donor Restricted - Purpose Restricted for Program Initiatives	(33,737)
Expected Collections to be Received in Future Periods Beyond One Year - Pledges Receivable	(231,831)
Expected Collections to be Received in Future Periods Beyond One Year - Notes Receivable	<u>(210,000)</u>
 Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	 <u><u>\$ 1,201,816</u></u>

The Federation has a goal to maintain financial assets on hand to meet its normal operating expenses. As described in Note 9, the Federation has a line of credit in the amount of \$2,000,000 that could be drawn upon in the event of an unanticipated liquidity need.

Donor-restricted and board-designated endowment funds are subject to an annual spending policy of 5% average fair value over the prior 12 quarters' rolling average in which the distribution is planned, unless otherwise documented in the endowment agreement, as described in Note 15. Endowment fund amounts in excess of the annual spending policy have been reflected as unavailable for general expenditures within one year in the chart above. Although the

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 2: AVAILABILITY AND LIQUIDITY - CONTINUED**

Federation does not intend to spend from the board-designated endowment funds (other than amounts appropriated for general expenditures through the annual spending policy), these amounts could be made available by a board resolution in the event of financial distress or an immediate liquidity need.

**NOTE 3: INVESTMENT INCOME**

The following tables detail the components of investment income for the years ended June 30:

	2019		
	Cost	Fair Value	Appreciation
Balance - End of Year	\$ 23,126,070	\$ 27,892,732	\$ 4,766,662
Balance - Beginning of Year	21,175,862	25,912,799	4,736,937
Increase in Unrealized Appreciation			29,725
Less: Increase in Net Unrealized Appreciation - Held for Others			(12,303)
Unrealized Gain			17,422
Realized Net Gain			283,403
Net Gain on Investments			300,825
Interest			111,450
Dividends			447,762
Investment Fees			(50,000)
Total Investment Income, Net			<u>\$ 810,037</u>

	2018		
	Cost	Fair Value	Appreciation
Balance - End of Year	\$ 21,175,862	\$ 25,912,799	\$ 4,736,937
Balance - Beginning of Year	20,271,227	24,100,381	3,829,154
Increase in Unrealized Appreciation			907,783
Less: Increase in Net Unrealized Appreciation - Held for Others			(409,925)
Unrealized Gain			497,858
Realized Net Gain			209,124
Net Gain on Investments			706,982
Interest			98,242
Dividends			373,199
Investment Fees			(50,000)
Total Investment Income, Net			<u>\$ 1,128,423</u>



**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 4: FAIR VALUE MEASUREMENTS**

The Federation follows the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. Under FASB ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

*Level 1* - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Federation has the ability to access. Since valuations are based on quoted market prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

*Level 2* - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

*Level 3* - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair values of assets and liabilities measured on a recurring basis as of June 30 were as follows:

	2019			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
<b>Investments</b>				
Mutual Bond Funds	\$ 7,779,218	\$ 7,779,218	\$ -	\$ -
Mutual Equity Funds	19,953,508	19,946,400	-	7,108
Israel Bonds	160,006	-	160,006	-
Total Investments	27,892,732	27,725,618	160,006	7,108
<b>Cash Surrender Value -</b>				
Life Insurance	490,234	-	490,234	-
Total Assets	<u>\$ 28,382,966</u>	<u>\$ 27,725,618</u>	<u>\$ 650,240</u>	<u>\$ 7,108</u>
<b>Liabilities</b>				
Investments Held for Others	<u>\$ 13,164,999</u>	<u>\$ -</u>	<u>\$ 13,164,999</u>	<u>\$ -</u>

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 4: FAIR VALUE MEASUREMENTS - CONTINUED**

	2018			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
<b>Investments</b>				
Mutual Bond Funds	\$ 6,119,041	\$ 6,119,041	\$ -	\$ -
Mutual Equity Funds	19,634,509	19,627,401	-	7,108
Israel Bonds	159,249	-	159,249	-
Total Investments	25,912,799	25,746,442	159,249	7,108
<b>Cash Surrender Value -</b>				
Life Insurance	491,977	-	491,977	-
Total Assets	\$ 26,404,776	\$ 25,746,442	\$ 651,226	\$ 7,108
<b>Liabilities</b>				
Investments Held for Others	\$ 11,368,510	\$ -	\$ 11,368,510	\$ -

Fair values measured using level 1 inputs are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair values measured using level 2 inputs are based on investment pool unitization percentages, which are considered observable level 2 inputs, and estimated values of life insurance contracts.

Assets measured at fair value on a recurring basis using significant unobservable inputs (level 3) were as follows:

	Equity Funds
Balance - July 1, 2017	\$ 7,108
Change in Value	-
Balance - June 30, 2018	7,108
Change in Value	-
Balance - June 30, 2019	\$ 7,108

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 5: PLEDGES RECEIVABLE**

Pledges receivable related to the Federation's annual campaigns consisted of the following as of June 30:

	2019	2018
Annual Pledges (Less than One Year)	\$ 573,752	\$ 767,902
Less: Estimated Uncollectible Amounts	(89,410)	(183,930)
	\$ 484,342	\$ 583,972

In 2000, the Federation initiated a capital campaign to fund several capital projects for the Delaware Jewish community, including a major expansion and renovation of the Bernard and Ruth Siegel Jewish Community Center, Inc.'s (Center) facility located on Garden of Eden Road in Wilmington (Project). A mortgage was secured to facilitate the completion of the Project (Note 9).

In May 2010, the Center passed the Capital Campaign Commitment Agreement resolution to fund up to \$250,000 of any resulting shortfall after collection of all current and future pledges receivable related to the capital campaign.

The Federation is the owner of a \$500,000 life insurance policy whose proceeds will be used to reduce any outstanding capital campaign debt upon the death of the insured. The pledged insurance proceeds reduced by the cash value is included in campaign pledges receivable.

Below is a summary of campaign pledges receivable by anticipated maturity as of June 30:

	2019		2018	
	Amount of Pledge	Net Present Value	Amount of Pledge	Net Present Value
Under 1 Year	\$ 146,889	\$ 146,889	\$ 146,889	\$ 146,889
1 Year to 5 Years	231,831	187,428	231,831	187,428
	\$ 378,720	334,317	\$ 378,720	334,317
Less: Allowance for Uncollectibles		(81,300)		(81,300)
		\$ 253,017		\$ 253,017

The net present value for pledges to be received in periods greater than one year was calculated using a discount rate of approximately 5% as of June 30, 2019 and 2018. As of June 30, 2019 and 2018, the discount totaled \$44,403.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 6: INTENTIONS TO GIVE**

During fiscal year 1999, the Federation received notification that it had been designated as a charitable organization under two Charitable Remainder Unitrusts (CRUTs). The trust agreements clearly state that the donors have the right to substitute other organizations as beneficiaries. Since these CRUTs do not meet criteria for revenue recognition under FASB ASC 958, they are not reflected as contributions in the statements of activities until the funds are distributed.

**NOTE 7: PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of June 30:

	2019	2018
Land	\$ 634,486	\$ 634,486
Land Improvements	173,232	95,431
Buildings and Improvements	23,961,689	23,933,076
Furniture and Fixtures	474,749	550,761
	25,244,156	25,213,754
Less: Accumulated Depreciation	(13,889,324)	(13,414,044)
Property and Equipment - Net	\$ 11,354,832	\$ 11,799,710

**NOTE 8: LOAN RECEIVABLE**

During the years ended June 30, 2019 and 2018, the Federation advanced Albert Einstein Academy \$0 and \$40,000, respectively. The terms of the agreement include a maturity date of June 2023 and an effective interest rate commensurate with the interest assessed to the Federation on certain bank debt due by the Federation. The outstanding balance was \$210,000 as of June 30, 2019 and 2018.

**NOTE 9: LOAN PAYABLE**

The loan payable consists of a working capital line of credit of \$2,000,000 bearing interest at the 30-day LIBOR plus 175 basis points (4.19% and 3.73% as of June 30, 2019 and 2018, respectively). The loan requires interest only payments monthly with balance due in full at maturity. During the year ended June 30, 2019, the maturity date was extended from March 2019 to March 2021. The loan is secured by a first mortgage on the property at 101 Garden of Eden Road, all assets of the Federation, and assignment of rents and leases. The outstanding balance was \$923,719 as of June 30, 2019 and 2018.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 9: LOAN PAYABLE - CONTINUED**

As of June 30, 2019, future maturities were as follows:

2020	\$	-
2021		<u>923,719</u>
	\$	<u><u>923,719</u></u>

**NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS**

Donor restricted net assets consist of amounts restricted by donors for the following purposes as of June 30:

	2019	2018
Subject to Endowment Spending Policy and Appropriations		
Andrea Levine Fund	\$ 107,718	\$ 109,718
Barry and Reiko Kayne Legacy Fund	104,490	-
Bella and Hyman Karol Legacy Fund	5,182	5,093
Bucholtz Trust	569,866	566,018
Cohen Fine Art Fund	183,815	192,566
Community Leadership Institute	196,192	195,684
Delaware Jewish Community Agencies	1,039,063	1,026,909
Educational Loans	66,959	67,645
Eldercare	10,980	10,879
Facilities Maintenance	2,428,798	2,436,413
General Israel Orphan	1,433	1,380
Hillel at University of Delaware	124,424	130,642
Holocaust Education - Endowment	369,714	329,226
Israel Community	36,505	36,171
Jerusalem Study Fund	34,214	32,952
Jewish Adult Education	35,147	34,353
Jewish War Veterans Fund	20,865	4,656
Kutz Home Fund	54,706	50,104
Leadership Development	206,066	202,526
Lipstein Fund	12,417	12,298
Multiple Designations and JFD Funds	91,669	88,428
PACE Fund	1,043,639	977,056
Richard A. Levine Legacy Fund	111,296	-
Scholarships	969,700	968,872
Science Study Fund	7,072	7,303
Temple Beth El Legacy Fund	12,691	12,410
Teen Philanthropy Fund	9,804	-
Wolfson Garden of Righteous	19,315	17,568
Women of Valor Fund	<u>5,696</u>	<u>5,486</u>
Subject to Endowment Spending Policy and Appropriations	<u><u>7,879,436</u></u>	<u><u>7,522,356</u></u>

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 10: NET ASSETS WITH DONOR RESTRICTIONS - CONTINUED**

	2019	2018
Subject to Expenditure for Specified Purpose		
Purpose Restricted for Program Initiatives		
Birthright Israel	\$ -	\$ 2,000
Holocaust Education - Committee	32,410	19,406
Parkwood for Leadership	1,327	21,956
PJ Library	-	32,562
Purpose Restricted for Program Initiatives	33,737	75,924
Total Donor Restricted Net Assets	\$ 7,913,173	\$ 7,598,280

Net assets with donor restrictions include endowment funds subject to spending policy and apportionment (Note 15) with cumulative endowment gifts of \$4,175,300 and \$3,924,267 as of June 30, 2019 and 2018, respectively.

**NOTE 11: PENSION**

The Federation provides retirement benefits to its employees through a defined contribution plan covering all employees, at least 21 years of age, who have completed at least one year of service and work a minimum of 1,000 hours per year. For the years ended June 30, 2019 and 2018, the Federation contributed 5% of the employees' gross salaries to the pension fund; employees may contribute additional amounts at their discretion. The Federation's contributions to the plan amounted to \$26,961 and \$25,591 for the years ended June 30, 2019 and 2018, respectively.

**NOTE 12: CONCENTRATION OF CREDIT RISK**

The Federation maintains cash balances at several local financial institutions. As of June 30, 2019 and 2018, the Federal Deposit Insurance Corporation (FDIC) insured deposit accounts up to \$250,000 per institution. At various times during the year, certain amounts may exceed the insured limits. Uninsured balances as of June 30, 2019 and 2018 were \$933,899 and \$197,224, respectively.

**NOTE 13: COMMITMENTS**

The Federation leases office equipment under an operating lease which expires in March 2022.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 13: COMMITMENTS - CONTINUED**

Future minimum rental payments under the operating lease are as follows for the years ending June 30:

2020	\$	7,860
2021		7,860
2022		<u>5,895</u>
	\$	<u><u>21,615</u></u>

Total rental expense related to the operating lease was \$7,860 for the years ended June 30, 2019 and 2018, respectively. During June 2019, the Federation entered into a one-year lease agreement for an apartment unit located at Garden of Eden apartments. The lease requires monthly payments of \$1,080 beginning July 1, 2019 and ending June 30, 2020.

**NOTE 14: AGENCY SPACE LEASES**

As of January 1, 2017, the Federation entered into three-year operating leases with the Bernard & Ruth Siegel Jewish Community Center (JCC) of Wilmington, Jewish Family Services of Delaware, and Albert Einstein Academy (Agencies) for the Harry and Jeanette Weinberg Jewish Community Campus Building (Building) for a three-year term through December 31, 2019. In November 2019 the leases were renewed through December 31, 2022.

The Facilities Management Board (FMB) reviews the budget for repairs, maintenance, and utility costs for the upcoming year related to the Building. Rent is determined based upon the approved budget and the related Agencies' square foot usage. All rental payments are used for general building and utilities maintenance. If building expenses in any year exceed rental income for that year plus prior year residuals, if any, the excess will be recovered through increased rent in the subsequent year. If income exceeds expenses, surplus dollars will be returned to the lessee through rent reduction. Rental income totaled \$1,233,963 and \$1,186,533 for the years ended June 30, 2019 and 2018, respectively. As of June 30, 2019 future projected minimum rental income under the operating leases total \$604,622 and is expected to be received during fiscal year 2020.

As of December 15, 2011, the Federation entered into a fifty-year ground lease with The Milton & Hattie Kutz Home, Inc. for \$10. The lease allows for four additional separate, consecutive ten-year renewal periods.

**NOTE 15: ENDOWMENT FUNDS**

The Federation's endowment consists of several individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 15: ENDOWMENT FUNDS - CONTINUED**

associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Federation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Federation retains in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standards of prudence prescribed in UPMIFA. The donor-restricted endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Federation in a manner consistent with the standard prudence prescribed by UPMIFA. In accordance with UPMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the Federation and the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Federation, and (7) the investment policies of the Federation.

Endowment by net assets composition by type of fund for the years ended June 30:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	\$ -	\$ 7,879,436	\$ 7,879,436
Board-Designated Endowment Funds	7,439,347	-	7,439,347
Total	<u>\$ 7,439,347</u>	<u>\$ 7,879,436</u>	<u>\$ 15,318,783</u>
	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	\$ -	\$ 7,522,356	\$ 7,522,356
Board-Designated Endowment Funds	7,252,329	-	7,252,329
Total	<u>\$ 7,252,329</u>	<u>\$ 7,522,356</u>	<u>\$ 14,774,685</u>



**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 15: ENDOWMENT FUNDS - CONTINUED**

Change in endowment net assets for the years ended June 30, 2019 and 2018:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - July 1, 2018	\$ 7,252,329	\$ 7,522,356	\$ 14,774,685
Investment Return			
Interest and Dividend Income	267,288	291,924	559,212
Investment Fees	(50,000)	-	(50,000)
Net Appreciation - Realized and Unrealized	147,310	153,515	300,825
Total Investment Return	364,598	445,439	810,037
Contributions	1,027,030	328,472	1,355,502
Appropriation of Endowment Assets for Expenditure	(1,408,610)	(295,736)	(1,704,346)
Fee Income	204,000	(121,095)	82,905
Endowment Net Assets - June 30, 2019	\$ 7,439,347	\$ 7,879,436	\$ 15,318,783
Endowment Net Assets - July 1, 2017	\$ 6,480,602	\$ 7,263,822	\$ 13,744,424
Investment Return			
Interest and Dividend Income	225,898	245,543	471,441
Investment Fees	(50,000)	-	(50,000)
Net Appreciation - Realized and Unrealized	323,059	383,923	706,982
Total Investment Return	498,957	629,466	1,128,423
Contributions	1,025,123	71,304	1,096,427
Appropriation of Endowment Assets for Expenditure	(980,329)	(322,509)	(1,302,838)
Fee Income	227,976	(119,727)	108,249
Endowment Net Assets - June 30, 2018	\$ 7,252,329	\$ 7,522,356	\$ 14,774,685

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 15: ENDOWMENT FUNDS - CONTINUED**

*Funds with Deficiencies* - From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Federation to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are to be reported in net assets without donor restrictions. There were no deficiencies in funds as of June 30, 2019 and 2018.

*Investment Return Objectives and Risk Parameters* - The Federation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Federation must hold in perpetuity or for a donor-specified period(s), as well as board-designated funds. Under this policy, as approved by the Board of Directors, 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. The Federation expects its endowment funds, over time, to provide an average rate of return that is sufficient to offset normal inflation plus the spending policy. Actual returns in any given year may vary from this amount.

*Investment Strategies Employed for Achieving Objectives* - To satisfy its long-term rate-of-return objectives, the Federation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Federation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

*Spending Policy* - Unless otherwise specified in an endowment fund's agreement, the Federation has a policy of appropriating for distribution each year an amount based on a percentage of its endowment fund's average fair value over the prior 12 quarters' rolling average in which the distribution is planned. The approved distribution percentage for the years ended June 30, 2019 and 2018 was 3%. In establishing this policy, the Federation considers the long-term expected return on its endowment, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The spending policy is reviewed regularly by the Board of Directors to allow its endowment funds to grow annually while maintaining the purchasing power of the endowment assets as well as to provide additional growth through new gifts and investment return.

**JEWISH FEDERATION OF DELAWARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JUNE 30, 2019**

**NOTE 16: ADJUSTMENTS TO PRIOR PERIOD FINANCIAL STATEMENTS**

As discussed in Note 1 to the financial statements, the Federation adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958), *Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended June 30, 2019. The requirements of this new accounting pronouncement have been applied retrospectively to all periods presented.

During the year the Federation restated prior year net assets to remove assets that were determined to be assets held on the behalf of others.

The effect of the above-referenced implementation of the new accounting pronouncement and restatement of net assets on the 2018 financial statements is as follows:

	As Previously Reported	Effect of New Accounting Pronouncement	Effect of Restatement	As Restated
<u>As of June 30, 2018</u>				
Investments and Cash Held for Others	\$ 11,347,483	\$ -	\$ 21,027	\$ 11,368,510
Unrestricted Net Assets	18,961,928	(18,961,928)	-	-
Temporarily Restricted Net Assets	3,680,040	(3,680,040)	-	-
Permanently Restricted Net Assets	3,939,267	(3,939,267)	-	-
Net Assets Without Donor Restrictions	-	18,961,928	-	18,961,928
Net Assets With Donor Restrictions	-	7,619,307	(21,027)	7,598,280
Total Net Assets	26,581,235	-	(21,027)	26,560,208
<u>For the Year Ended June 30, 2018</u>				
Total Revenue, Gains and Other Support	\$ 4,145,625	\$ -	\$ (15,000)	\$ 4,130,625
Total Allocations and Expenses	4,050,596	(50,000)	-	4,000,596
Total Nonoperating Revenue	433,279	(50,000)	(597)	382,682
Change in Net Assets	528,308	-	(15,597)	512,711
<u>As of June 30, 2017</u>				
Unrestricted Net Assets	\$ 18,713,976	\$ (18,713,976)	\$ -	\$ -
Temporarily Restricted Net Assets	3,439,815	(3,439,815)	-	-
Permanently Restricted Net Assets	3,899,136	(3,899,136)	-	-
Net Assets Without Donor Restrictions	-	18,713,976	-	18,713,976
Net Assets With Donor Restrictions	-	7,338,951	(5,430)	7,333,521
Total Net Assets	26,052,927	-	(5,430)	26,047,497



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*Independent Auditors' Report on Additional Information*

To the Board of Directors  
Jewish Federation of Delaware, Inc.

We have audited the financial statements of Jewish Federation of Delaware, Inc. as of and for the years ended June 30, 2019 and 2018, and our report thereon dated December 20, 2019, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of allocations, supplemental statements of financial position of the Jewish Fund for the Future, and supplemental statements of activities of the Jewish Fund for the Future, as of and for the years ended June 30, 2019 and 2018, are presented for purposes of additional analysis and are not required parts 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, except for the information marked "unaudited" on the schedules of allocations, has been subjected to the auditing procedures applied in the audits 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. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Belfint, Lyons & Shuman, P.A.*

December 20, 2019  
Wilmington, Delaware

**JEWISH FEDERATION OF DELAWARE, INC.**  
**SCHEDULES OF ALLOCATIONS**  
**JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>ACCRUED ALLOCATIONS PAYABLE</b>		
<u>NATIONAL AGENCIES</u>		
Jewish Council for Public Affairs (JCPA)	\$ 1,000	\$ 1,000
Jewish Communal Services Association (JPRO)	500	500
<u>OVERSEAS AGENCIES</u>		
Jewish Federations of North America	539,129	501,538
Birthright Israel	18,776	18,776
<u>LOCAL ALLOCATIONS</u>		
Albert Einstein Academy	124,500	120,500
Siegel Jewish Community Center	210,000	200,300
Hillel Center at University of Delaware	89,000	84,000
Jewish Family Services of Delaware	76,500	65,300
Jewish Historical Society	1,272	1,368
Southern Delaware Community	3,000	4,600
Seaside Jewish Community	4,000	-
Chabad at the University of Delaware	5,000	4,000
Milton and Hattie Kutz Home, Inc.	45,000	32,500
B'nai B'rith Youth Organization	7,500	7,500
	<b>1,125,177</b>	<b>1,041,882</b>
<b>COMMITTED ALLOCATIONS NOT ACCRUED {b}</b>		
<u>OVERSEAS AGENCIES</u>		
Jewish Federations of North America - Mission and Programming	12,500	14,500
<u>LOCAL ALLOCATIONS</u>		
Community Outreach	175,061	83,876
Community Major Speaking Events	-	14,000
Board Jewish Education and Identity Initiatives {a}	12,500	20,000
	<b>200,061</b>	<b>132,376</b>
	<b>\$ 1,325,238</b>	<b>\$ 1,174,258</b>

{a} Fiscal year 2019 and 2018 Board Jewish Education and Identity Initiatives were not allocated to specific agencies and, therefore, were not included as liabilities in the statements of financial position.

{b} Committed Allocations Not Accrued did not meet the criteria to be recognized as a cost and liability in the corresponding financial statements. As a result, Committed Allocations Not Accrued were not subject to the auditing procedures applied to the financial statements.

**JEWISH FUND FOR THE FUTURE**  
**SUPPLEMENTAL STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**

**ASSETS**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 348,813	\$ -
Investments at Fair Value		
Equity Securities	19,953,508	19,634,509
Fixed Income Securities	7,779,218	6,119,041
Israel Bonds	160,006	159,249
	27,892,732	25,912,799
Cash Surrender Value - Life Insurance	242,237	247,237
<b>TOTAL ASSETS</b>	<b>\$ 28,483,782</b>	<b>\$ 26,160,036</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Cash Overdraft	\$ -	\$ 16,841
<b>TOTAL LIABILITIES</b>	-	16,841
<b>NET ASSETS</b>		
Jewish Federation of Delaware, Inc.	15,318,783	14,774,685
Others	13,164,999	11,368,510
<b>TOTAL NET ASSETS</b>	28,483,782	26,143,195
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 28,483,782</b>	<b>\$ 26,160,036</b>

**JEWISH FUND FOR THE FUTURE**  
**SUPPLEMENTAL STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>		
	<b>Funds Managed For</b>		
	<b>Total</b>	<b>Jewish Federation of Delaware, Inc.</b>	<b>Other</b>
<b>REVENUE, GAINS, AND OTHER SUPPORT</b>			
Contributions/Grant Revenue	\$ 3,012,287	\$ 1,355,502	\$ 1,656,785
Fee Income	82,905	82,905	-
Interest	198,546	111,450	87,096
Dividends	799,327	447,762	351,565
Investment Fees	(50,000)	(50,000)	-
Realized Gain	509,025	283,403	225,622
Unrealized Gain	29,725	17,422	12,303
<b>TOTAL REVENUE, GAINS, AND OTHER SUPPORT</b>	<b>4,581,815</b>	<b>2,248,444</b>	<b>2,333,371</b>
<b>EXPENSES</b>			
Grant and Other Program Disbursements	2,006,153	1,552,176	453,977
Salaries	99,693	99,693	-
Employee Benefits and Payroll Taxes	14,490	14,490	-
Fee Expense	82,905	-	82,905
Professional Fees	18,700	18,700	-
Marketing and Promotion	8,400	8,400	-
Office Expenses	10,698	10,698	-
Meetings and Travel	189	189	-
<b>TOTAL EXPENSES</b>	<b>2,241,228</b>	<b>1,704,346</b>	<b>536,882</b>
<b>CHANGE IN NET ASSETS</b>	<b>2,340,587</b>	<b>544,098</b>	<b>1,796,489</b>
<b>NET ASSETS - Beginning of Year</b>	<b>26,143,195</b>	<b>14,774,685</b>	<b>11,368,510</b>
<b>NET ASSETS - End of Year</b>	<b>\$ 28,483,782</b>	<b>\$ 15,318,783</b>	<b>\$ 13,164,999</b>

<b>2018</b>		
<b>Funds Managed For</b>		
	<b>Jewish Federation of Delaware, Inc.</b>	<b>Other</b>
<b>Total</b>		
\$ 1,252,208	\$ 1,096,427	\$ 155,781
108,249	108,249	-
168,082	98,242	69,840
670,971	373,199	297,772
(50,000)	(50,000)	-
377,054	209,124	167,930
907,783	497,858	409,925
<u>3,434,347</u>	<u>2,333,099</u>	<u>1,101,248</u>
1,586,897	1,153,678	433,219
101,986	101,986	-
15,557	15,557	-
108,249	-	108,249
13,288	13,288	-
7,700	7,700	-
10,454	10,454	-
175	175	-
<u>1,844,306</u>	<u>1,302,838</u>	<u>541,468</u>
1,590,041	1,030,261	559,780
<u>24,553,154</u>	<u>13,744,424</u>	<u>10,808,730</u>
<u>\$ 26,143,195</u>	<u>\$ 14,774,685</u>	<u>\$ 11,368,510</u>