



**Jewish Association for Services for the Aged and Affiliate**

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## Independent Auditor's Report

Board of Trustees  
Jewish Association for Services for the Aged and Affiliate

### *Opinion*

We have audited the combined financial statements of Jewish Association for Services for the Aged and Affiliate (the "Organization"), which comprise the combined statements of financial position as of June 30, 2022 and 2021, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Organization as of June 30, 2022 and 2021, 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 Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Organization 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 Combined Financial Statements*

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

### *Auditor's Responsibilities for the Audit of the Combined Financial Statements*

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 combined financial statements.



**Jewish Association for Services for the Aged and Affiliate**

**Combined Statements of Financial Position  
June 30, 2022 and 2021**

	<u>Assets</u>	<u>2022</u>	<u>2021</u>
Current assets			
Cash		\$ 3,329,797	\$ 7,472,328
Investments at fair value		5,606,058	5,124,560
Due from governmental agencies		5,635,877	2,966,655
Accounts receivable, net		10,963,965	5,405,859
Due from affiliates, net		1,978,044	2,220,276
Prepaid expenses and other assets		917,603	910,662
Total current assets		<u>28,431,344</u>	<u>24,100,340</u>
Noncurrent assets			
Investments in limited liability investment companies		1,270,260	2,280,595
Property and equipment, net		405,948	482,854
Assets held for a specific purpose		548,543	509,340
Assets held for Guardianship clients and others		7,392,407	8,335,701
Total noncurrent assets		<u>9,617,158</u>	<u>11,608,490</u>
Total assets		<u>\$ 38,048,502</u>	<u>\$ 35,708,830</u>
	<u>Liabilities and Net Assets</u>		
Current liabilities			
Accounts payable and accrued expenses		\$ 2,802,299	\$ 1,560,196
Accrued payroll and payroll taxes		2,996,105	4,562,943
Loan payable		5,834	70,000
Refundable advances and other liabilities		4,464,296	2,413,949
Total current liabilities		<u>10,268,534</u>	<u>8,607,088</u>
Noncurrent liabilities			
Deferred rent liabilities		1,597,680	1,446,961
Amounts held for a specific purpose		548,543	509,340
Due to Guardianship clients and others		7,392,407	8,335,701
Total noncurrent liabilities		<u>9,538,630</u>	<u>10,292,002</u>
Total liabilities		<u>19,807,164</u>	<u>18,899,090</u>
Net assets			
Without donor restrictions			
Undesignated		10,297,497	8,748,634
Board designated - operating reserve		5,841,719	6,313,807
Total net assets		<u>16,139,216</u>	<u>15,062,441</u>
With donor restrictions		<u>2,102,122</u>	<u>1,747,299</u>
Total net assets		<u>18,241,338</u>	<u>16,809,740</u>
Total liabilities and net assets		<u>\$ 38,048,502</u>	<u>\$ 35,708,830</u>

See Notes to Combined Financial Statements.

## Jewish Association for Services for the Aged and Affiliate

### Combined Statements of Activities Years Ended June 30, 2022 and 2021

	2022			2021		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and revenues						
Private support						
UJA - Federation of New York grants	\$ 3,076,771	\$ -	\$ 3,076,771	\$ 3,072,134	\$ -	\$ 3,072,134
Contributions	3,314,839	957,250	4,272,089	2,876,576	324,786	3,201,362
JASA Corporation grants	6,351,181	-	6,351,181	3,460,599	-	3,460,599
Meals on Wheels grants	1,332,560	-	1,332,560	1,374,653	-	1,374,653
Special events	603,908	-	603,908	852,342	-	852,342
Less cost of direct benefits to donors	(39,280)	-	(39,280)	(108,464)	-	(108,464)
Legacies and bequests	167,156	-	167,156	2,220,028	-	2,220,028
Total private support	<u>14,807,135</u>	<u>957,250</u>	<u>15,764,385</u>	<u>13,747,868</u>	<u>324,786</u>	<u>14,072,654</u>
Governmental support	<u>36,535,517</u>	<u>-</u>	<u>36,535,517</u>	<u>38,171,431</u>	<u>-</u>	<u>38,171,431</u>
Total private and governmental support	<u>51,342,652</u>	<u>957,250</u>	<u>52,299,902</u>	<u>51,919,299</u>	<u>324,786</u>	<u>52,244,085</u>
Revenues						
Program service fees	5,407,735	-	5,407,735	5,016,510	-	5,016,510
Housing management fees	1,953,393	-	1,953,393	2,119,654	-	2,119,654
Client fees	268,244	-	268,244	134,937	-	134,937
Miscellaneous	41,859	-	41,859	14,544	-	14,544
Investment (loss) income, net	(345,094)	(138,822)	(483,916)	596,722	116,565	713,287
Total revenues	<u>7,326,137</u>	<u>(138,822)</u>	<u>7,187,315</u>	<u>7,882,367</u>	<u>116,565</u>	<u>7,998,932</u>
Net assets released from restrictions	<u>463,605</u>	<u>(463,605)</u>	<u>-</u>	<u>1,098,962</u>	<u>(1,098,962)</u>	<u>-</u>
Total support and revenues	<u>59,132,394</u>	<u>354,823</u>	<u>59,487,217</u>	<u>60,900,628</u>	<u>(657,611)</u>	<u>60,243,017</u>
Expenses						
Program services	42,582,907	-	42,582,907	42,600,591	-	42,600,591
Total program services	<u>42,582,907</u>	<u>-</u>	<u>42,582,907</u>	<u>42,600,591</u>	<u>-</u>	<u>42,600,591</u>
Supporting services						
Management and general - JASA	12,158,872	-	12,158,872	12,201,895	-	12,201,895
Management and general - JHM	2,791,801	-	2,791,801	2,691,174	-	2,691,174
Fundraising	522,039	-	522,039	474,898	-	474,898
Total supporting services	<u>15,472,712</u>	<u>-</u>	<u>15,472,712</u>	<u>15,367,967</u>	<u>-</u>	<u>15,367,967</u>
Total expenses	<u>58,055,619</u>	<u>-</u>	<u>58,055,619</u>	<u>57,968,558</u>	<u>-</u>	<u>57,968,558</u>
Change in net assets	1,076,775	354,823	1,431,598	2,932,070	(657,611)	2,274,459
Net assets, beginning	<u>15,062,441</u>	<u>1,747,299</u>	<u>16,809,740</u>	<u>12,130,371</u>	<u>2,404,910</u>	<u>14,535,281</u>
Net assets, end	<u>\$ 16,139,216</u>	<u>\$ 2,102,122</u>	<u>\$ 18,241,338</u>	<u>\$ 15,062,441</u>	<u>\$ 1,747,299</u>	<u>\$ 16,809,740</u>

See Notes to Combined Financial Statements.

## Jewish Association for Services for the Aged and Affiliate

### Combined Statement of Functional Expenses Year Ended June 30, 2022

	Program services					Supporting services					Cost of direct benefits to donors	Total	
	Community guardian	Senior centers	Intensive services	Care and case management	Other programs	Total	Management and general - JASA	Management and general - Affiliate	Fundraising	Total			Total
Salaries	\$ 2,312,556	\$ 3,386,888	\$ 2,182,159	\$ 5,936,618	\$ 6,959,238	\$ 20,777,459	\$ 5,790,808	\$ 1,843,488	\$ 305,233	\$ 7,939,529	\$ 28,716,988	\$ -	\$ 28,716,988
Payroll taxes and fringe benefits	879,353	1,284,265	831,631	2,258,492	2,614,580	7,868,321	2,319,688	567,735	109,619	2,997,042	10,865,363	-	10,865,363
Total salaries and related expenses	3,191,909	4,671,153	3,013,790	8,195,110	9,573,818	28,645,780	8,110,496	2,411,223	414,852	10,936,571	39,582,351	-	39,582,351
Food and related expenses	-	895,896	291	3,569,037	193,788	4,659,012	782	-	-	782	4,659,794	-	4,659,794
Occupancy	361,951	1,032,572	646,534	216,203	751,841	3,009,101	728,121	119,085	22,717	869,923	3,879,024	17,480	3,896,504
Professional fees	618,854	223,204	52,122	343,991	1,074,397	2,312,568	1,907,080	87,611	3,610	1,998,301	4,310,869	-	4,310,869
Client services	-	580,138	36,568	310,590	440,921	1,368,217	309	-	-	309	1,368,526	-	1,368,526
Program and office expenses	113,313	350,475	111,148	107,180	375,269	1,057,385	865,350	84,272	56,696	1,006,318	2,063,703	-	2,063,703
Communication	36,766	76,166	38,060	57,270	123,519	331,781	134,270	14,216	11,727	160,213	491,994	21,800	513,794
Transportation expenses	-	20,247	-	147,067	32,176	199,490	9,444	12,307	245	21,996	221,486	-	221,486
Insurance	58,057	126,274	57,729	358,783	235,212	836,055	245,986	57,811	7,292	311,089	1,147,144	-	1,147,144
Miscellaneous	1,040	1,628	969	3,039	3,684	10,360	147,046	5,276	4,900	157,222	167,582	-	167,582
Bad debt expense	38,952	-	452	-	-	39,404	9,988	-	-	9,988	49,392	-	49,392
Total expenses before depreciation and amortization	4,420,842	7,977,753	3,957,663	13,308,270	12,804,625	42,469,153	12,158,872	2,791,801	522,039	15,472,712	57,941,865	39,280	57,981,145
Depreciation and amortization	-	-	-	-	113,754	113,754	-	-	-	-	113,754	-	113,754
Total functional expenses	<u>\$ 4,420,842</u>	<u>\$ 7,977,753</u>	<u>\$ 3,957,663</u>	<u>\$ 13,308,270</u>	<u>\$ 12,918,379</u>	<u>\$ 42,582,907</u>	<u>\$ 12,158,872</u>	<u>\$ 2,791,801</u>	<u>\$ 522,039</u>	<u>\$ 15,472,712</u>	<u>\$ 58,055,619</u>	<u>\$ 39,280</u>	<u>\$ 58,094,899</u>

## Jewish Association for Services for the Aged and Affiliate

### Combined Statement of Functional Expenses Year Ended June 30, 2021

	Program services						Supporting services				Total	Cost of direct benefits to donors	Total
	Community guardian	Senior centers	Intensive services	Care and case management	Other programs	Total	Management and general - JASA	Management and general - Affiliate	Fundraising	Total			
Salaries	\$ 2,345,752	\$ 3,323,161	\$ 3,019,016	\$ 5,638,237	\$ 7,748,377	\$ 22,074,543	\$ 6,097,685	\$ 1,779,392	\$ 280,069	\$ 8,157,146	\$ 30,231,689	\$ -	\$ 30,231,689
Payroll taxes and fringe benefits	907,679	1,288,106	1,161,474	2,175,851	2,995,578	8,528,688	2,334,655	602,816	105,863	3,043,334	11,572,022	-	11,572,022
Total salaries and related expenses	3,253,431	4,611,267	4,180,490	7,814,088	10,743,955	30,603,231	8,432,340	2,382,208	385,932	11,200,480	41,803,711	-	41,803,711
Food and related expenses	-	29,746	-	3,343,178	286,463	3,659,387	-	-	-	-	3,659,387	20,000	3,679,387
Occupancy	361,492	1,031,544	615,794	204,653	649,840	2,863,323	853,620	129,157	33,119	1,015,896	3,879,219	59,644	3,938,863
Professional fees	650,994	78,280	174,226	289,778	700,130	1,893,408	1,697,589	23,178	4,548	1,725,315	3,618,723	-	3,618,723
Client services	9,240	406,110	14,349	287,800	458,004	1,175,503	925	-	925	925	1,176,428	-	1,176,428
Program and office expenses	107,435	259,774	121,646	81,063	329,902	899,820	803,707	70,655	36,506	910,868	1,810,688	-	1,810,688
Communication	36,969	82,039	41,559	45,456	112,593	318,616	147,110	12,011	4,919	164,040	482,656	17,463	500,119
Transportation expenses	131,950	25,813	204,347	95,993	29,099	487,202	5,001	2,765	-	7,766	494,968	-	494,968
Insurance	18,675	60,720	21,537	229,612	104,798	435,342	116,717	65,039	2,031	183,787	619,129	-	619,129
Miscellaneous	12,981	(592)	34	384	9,438	22,245	144,886	6,161	6,398	157,445	179,690	11,357	191,047
Bad debt expense	90,268	-	-	-	-	90,268	-	-	1,445	1,445	91,713	-	91,713
Total expenses before depreciation and amortization	4,673,435	6,584,701	5,373,982	12,392,005	13,424,222	42,448,345	12,201,895	2,691,174	474,898	15,367,967	57,816,312	108,464	57,924,776
Depreciation and amortization	-	-	-	-	152,246	152,246	-	-	-	-	152,246	-	152,246
Total functional expenses	<u>\$ 4,673,435</u>	<u>\$ 6,584,701</u>	<u>\$ 5,373,982</u>	<u>\$ 12,392,005</u>	<u>\$ 13,576,468</u>	<u>\$ 42,600,591</u>	<u>\$ 12,201,895</u>	<u>\$ 2,691,174</u>	<u>\$ 474,898</u>	<u>\$ 15,367,967</u>	<u>\$ 57,968,558</u>	<u>\$ 108,464</u>	<u>\$ 58,077,022</u>

See Notes to Combined Financial Statements.



**Jewish Association for Services for the Aged and Affiliate**

**Combined Statements of Cash Flows  
Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ 1,431,598	\$ 2,274,459
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Depreciation and amortization	113,754	152,246
Bad debt expense	49,392	91,713
Realized and unrealized losses (gains) on investments	650,084	(684,408)
Deferred rent payable	150,719	296,824
Changes in operating assets and liabilities		
Accounts receivable	(5,607,498)	(896,085)
Due from governmental agencies	(2,669,222)	(257,057)
Due from affiliates	242,232	681,361
Prepaid expenses and other assets	(6,941)	(236,659)
Assets held for a specific purpose	(39,203)	(77,846)
Assets held for Guardianship clients and others	943,294	1,579,048
Accounts payable and accrued expenses	1,242,103	392,594
Accrued payroll and payroll taxes	(1,566,838)	(226,966)
Refundable advances and other liabilities	2,050,347	322,874
Amounts held for a specific purpose	39,203	77,846
Due to Guardianship clients and others	(943,294)	(1,579,048)
	<u>(3,920,270)</u>	<u>1,910,896</u>
Net cash (used in) provided by operating activities		
Cash flows from investing activities		
Purchases of property and equipment	(36,848)	-
Purchases of investments	(1,348,836)	(3,388,314)
Proceeds from sales of investments	1,227,589	756,715
	<u>(158,095)</u>	<u>(2,631,599)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Loan repayment	(64,166)	(70,000)
	<u>(64,166)</u>	<u>(70,000)</u>
Net cash used in financing activities		
Net decrease in cash	(4,142,531)	(790,703)
Cash, beginning	<u>7,472,328</u>	<u>8,263,031</u>
Cash, end	<u>\$ 3,329,797</u>	<u>\$ 7,472,328</u>

See Notes to Combined Financial Statements.

## **Jewish Association for Services for the Aged and Affiliate**

### **Notes to Combined Financial Statements June 30, 2022 and 2021**

#### **Note 1 - Description of the Organization**

Jewish Association for Services for the Aged ("JASA Services") and Affiliate (collectively, "JASA" or the "Organization") was founded in 1968 by the UJA Federation of New York to provide comprehensive services to older adults living in New York City and Long Island. JASA Services' mission is to sustain and enrich the lives of the aging in the New York metropolitan area so that they can remain in the community with dignity and autonomy. Annually, JASA Services assists more than 43,000 older adults, their family members and others who care for them, through a comprehensive, integrated network of services that provides a range of community care. Programs include case management, licensed mental health services, legal services, community guardian, adult protective services, senior centers, home delivered meals, social adult day care and special services for caregivers and victims of elder abuse. JASA Services is a trusted community resource for the diverse senior population living in the New York metropolitan area. Service delivery is client-centered, through the provision of programs that meet the needs and preferences of both able and frail older adults and maximize opportunities for fulfillment and safety in the community.

JASA Housing Management Services for the Aged, Inc. ("JHM") is a not-for-profit corporation incorporated in the State of New York which develops and manages housing facilities for older adults.

JASA Services and JHM are each wholly controlled by the JASA Corporation, their sole member.

#### **Note 2 - Summary of significant accounting policies**

##### **Principles of combination**

The accompanying combined financial statements include the financial position, operating activities, and cash flows of JASA Services and JHM, which are related through common board membership. All significant intercompany accounts and transactions have been eliminated in the combination. Various expenses, including salaries, occupancy costs and administrative expenses have been allocated among JASA Services and JHM based upon services rendered by common personnel and usage of common facilities.

##### **Basis of accounting**

The combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

##### **Classification of net assets**

Net assets and revenues, gain and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported in two categories of net assets as follows:

*Without donor restrictions* - net assets that are not subject to donor-imposed stipulations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

*With donor restrictions* - net assets that are restricted by donor for use for a specific purpose or in a future period. Some donor-imposed restrictions are temporary in nature and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed.

## **Jewish Association for Services for the Aged and Affiliate**

### **Notes to Combined Financial Statements June 30, 2022 and 2021**

Other donor-imposed restrictions on net assets included in this category are permanent in nature. These net assets have been restricted by the donor to be maintained by the Organization either in perpetuity or until released by specific action by the Organization's Board of Trustees in accordance with applicable law.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the combined financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as contributions without donor restrictions.

#### **Use of estimates**

The preparation of the combined financial statements in conformity with U.S. GAAP 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 combined financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### **Cash**

The Organization considers all highly-liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash consists of cash deposited with major U.S. banks. The Organization had no cash equivalents as of June 30, 2022 and 2021.

#### **Investments**

Investments in debt securities are stated at their fair values in the combined statements of financial position.

Net investment return includes dividends, interest, and realized and unrealized gains and losses on investments carried at fair value. External and direct internal investment related expenses are netted against investment returns.

Net investment return is reflected in the combined statements of activities as with donor restrictions or without donor restrictions based upon the existence and nature of any donor or legally-imposed restrictions.

#### **Investments in limited liability investment companies**

The Organization's investments in limited liability investment companies (the "investment entities") are stated at fair value.

Investment entities are selected by the Investment Committee, which receives offering documents and performance history of each investment manager. The Investment Committee interviews the manager to determine whether the investment philosophy (particularly with respect to risk) and strategies of the investment entities are in the best interests of the Organization. Only after the Investment Committee makes a positive recommendation does the Organization invest in an investment entity. In addition, the actions of the Investment Committee are subject to review and approval by the Board of Trustees of the Organization.

## Jewish Association for Services for the Aged and Affiliate

### Notes to Combined Financial Statements June 30, 2022 and 2021

#### Endowment

The Organization follows the provisions of the Not-for-Profit Entities Topic of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, related to enhanced disclosures for endowment funds.

In furtherance of the Organization's mission, the overall goal of the endowment is to provide a stable source of financial support and liquidity. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Applicable law requires that all endowment funds be classified as net assets with donor restriction. In the endowment, these comprise two types of funds: (1) funds that have donor restrictions requiring that they be maintained in perpetuity and (2) funds that do not have donor restrictions as to the term for which such funds must be maintained prior to their appropriation for spending and which can be appropriated for spending by specific action of the Organization's Board of Trustees. In the latter instance, where there is no such explicit donor restriction within the gift instrument, the Organization has determined that it will prudentially classify the original value of a gift and any subsequent gifts made under the same instrument as subject to donor restriction given the totality of the circumstances of the gift. Accumulated earnings on the endowment are also classified as net assets with donor restriction until those amounts are appropriated for expenditure by the Organization.

#### Contributions receivable

Unconditional promises to give are recognized as contribution revenue in the period received and are classified based on the existence or absence of donor-imposed restrictions. Promises to give are recorded at net realizable value if expected to be collected in one year. 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.

#### Accounts receivable and allowance for doubtful accounts

The Organization uses the allowance method to account for uncollectible government grants, accounts and contributions receivable. The allowance for doubtful accounts is based on prior years' experience and management's analysis of possible bad debts. Accounts receivable is shown net of allowance for doubtful accounts of approximately \$564,000 for each of the years ended June 30, 2022 and 2021, respectively. An allowance for doubtful accounts is not considered necessary for due from governmental agencies as of June 30, 2022 and 2021.

Amounts due from clients related to program service fee revenue consisted of the following for the years ended June 30, 2022 and 2021:

	2022	2021
Program service fees receivable, beginning of the year	\$ 749,520	\$ 1,163,201
Amounts collected	(3,484,877)	(3,923,732)
Amounts billed and recognized in program service fee revenue	3,816,304	3,510,051
Program service fees receivable, end of the year	<u>\$ 1,080,947</u>	<u>\$ 749,520</u>

Other amounts included in accounts receivable, net relate to grants and contributions and receivables from the Organization's stop-loss insurance.

**Jewish Association for Services for the Aged and Affiliate**

**Notes to Combined Financial Statements  
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**Property and equipment and depreciation and amortization**

Property and equipment, which includes land, leasehold improvements, furniture and equipment, computer equipment, software and website, and vehicles, are stated at cost, or for donated items, at the fair value of the asset on the date of the gift. Depreciation and amortization is calculated using the straight-line method based on the following estimated useful lives of the respective assets:

	<u>Years</u>
Leasehold improvements	4 - 10
Furniture and equipment	10
Computer equipment, software and website	3
Vehicles	5

Property and equipment are capitalized if the cost, or fair value at date of donation, is \$5,000 or more and the useful life is greater than one year. Leasehold improvements are amortized over the life of the property or lease term, whichever is shorter. The cost of equipment and leasehold improvements financed by governmental funding sources is expensed when incurred if the contractual agreement specifies that title to these assets rests with the governmental funding source rather than the Organization.

The cost of assets sold or otherwise disposed of and the accumulated depreciation thereon are eliminated from the accounts and the resulting gain or loss is recorded except for assets traded where no cash is received. Expenditures for maintenance and repairs are expensed as incurred; replacements and betterments that extend the useful lives are capitalized.

**Assets held for Guardianship clients**

Assets held for numerous persons determined to be incapacitated under Article 81 of the New York State Mental Hygiene Law ("Guardianship clients") include funds held by the Organization in its capacity as Guardian, by appointment of the Supreme Court of the State of New York. Disbursements are made by the Organization to pay all expenditures on behalf of Guardianship clients.

**Assets held for a specific purpose**

Assets held for a specific purpose are funds held by the Organization for numerous Guardianship clients for burial costs.

**Deferred rent**

For accounting purposes, the total rent payable over the life of the lease, which escalates over time, is recognized on the straight-line basis. Actual rent payments differ from these reported amounts; actual rent paid is less than reported amounts in the early years of the lease and exceeds the reported amounts in the later years. Deferred rent reflects the difference between the straight-line calculation reported and the actual rent expense paid.

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#### **Contributions**

Unconditional contributions received without donor restrictions are recorded as revenue in the period received and are considered net assets without donor restrictions. Contributions are recorded net of estimated uncollectible amounts. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. The Organization's federal and state contracts and grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. The Organization records contributions as net assets with donor restrictions if they are received with donor stipulations that limit their use either through purpose or time restrictions.

The Organization reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

#### **In-kind contributions**

Not-for-profit entities are required to record contributed goods and services revenue if those services create or enhance nonfinancial assets or are provided by individuals who possess specialized skills that would typically need to be purchased, if not provided by donation. Contributed goods and services were not material for the years ended June 30, 2022 and 2021.

#### **Revenue recognition**

Revenue is recognized when control of the promised service is transferred to the Organization's customers or outside parties in an amount that depicts the consideration the Organization expects to be entitled to in exchange for those services. Revenue is not recognized unless collectability under the contract is considered probable, the contract has commercial substance and the contract has been approved. Additionally, the contract must contain payment terms, as well as the rights and commitments of both parties.

*Governmental support* - The Organization receives a substantial portion of its revenue for services provided to approved clients from third-party reimbursement agencies; primarily the New York City Department for the Aging ("DFTA") and the New York City Human Resources Administration ("HRA"). Revenue from government grants and contracts is recognized as either exchange transactions or contributions. When the resource provider receives commensurate value in return for the resources transferred to the Organization, the revenue from the grant or contract is accounted for as an exchange transaction. For purposes of determining whether a transfer of asset is a contribution or an exchange, the Organization deems that the resource provider is not synonymous with the general public, i.e., indirect benefit received by the public as a result of the assets transferred is not deemed equivalent to commensurate value received by the resource provider. Moreover, the execution of a resource provider's mission or the positive sentiment from acting as a donor is not deemed to constitute commensurate value received by a resource provider. Revenue from grants and contracts that are accounted for as exchange transactions is recognized when performance obligations have been satisfied, typically when allowable expenditures have been incurred during the specified contract periods. Cash received in excess of revenue recognized is recorded as refundable advances. Costs are subject to audits by third-party payers and changes, if any, are recognized in the year that they are known to the Organization.

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On the other hand, when the resource provider does not receive commensurate value, but still expends the funds to the Organization, the transaction is accounted for as a contribution. Typically, the grant and contract agreements contain a right of return or right of release from the respective obligation provision on the part of the resource provider and the Organization has limited discretion over how the funds transferred should be spent. As such, the Organization accounts for its revenue from government grants and contracts as conditional contributions and, therefore, recognizes revenue when the related barrier to entitlement has been overcome, which is primarily when the related expenses are incurred in accordance with the terms of the respective grant or contract agreement. If such conditions are not met during the specified periods in the contracts, the governmental entities are not obligated to expend the funds allotted under the contracts. Funds received in advance of conditions being met are reported as refundable advances in the combined statements of financial position.

*Program service fees* - Program service revenue includes estimated net realizable amounts to be received from third-party payers for services rendered by the Organization. Such revenue for the years ended June 30, 2022 and 2021 is principally related to individuals participating in the Organization's clinic and other programs, who are covered principally by Medicare, Medicaid, and third-party payors. Generally, the Organization bills the individuals and third-party payors several days after the services are performed.

Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Organization. The Organization measures the performance obligation from the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of completion of the outpatient services.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14a and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The Organization's performance obligations consist primarily of outpatient services that occur within one day of a patient's visit; thus, there were no unsatisfied or partially unsatisfied performance obligations at the end of the reporting period.

*Housing management fees* - The Organization receives management fees from its affiliates which are reported on the combined statements of activities. Eight affiliated housing entities are charged management fees by JHM for various management services. Management fees are recognized when management services are performed.

*Grant income* - The Organization has an agreement with UJA Federation of New York in which it receives monthly and quarterly grant funds for services and other programs for older adults.

#### **Functional expenses**

The costs of supporting the various programs and other activities of the Organization have been summarized on a functional basis in the combined statements of functional expenses. Costs that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the program services, management and general, and fundraising categories based on time and effort measurements. Management and general expenses include costs not identifiable with any specific program, but which provide for the overall support and direction of the Organization. Fundraising

## **Jewish Association for Services for the Aged and Affiliate**

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costs are expensed as incurred, even though they may result in contributions received in future years.

#### **Income taxes**

JASA Services and JHM were incorporated in the State of New York and are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (the "IRC"). JASA Services and JHM have both been determined by the Internal Revenue Service (the "IRS") not to be "private foundations" within the meaning of Section 509(a) of the IRC. There was no unrelated business income for the years ended June 30, 2022 and 2021; therefore, there is no provision for income taxes in the accompanying combined financial statements.

Management has analyzed the tax positions taken by the Organization and has concluded that, as of June 30, 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the combined financial statements. The Organization's federal and state information returns filed prior to fiscal year 2019 are closed. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in the tax law and new authoritative rulings.

#### **Concentrations of credit risk**

Financial instruments that potentially subject the Organization to credit risk consist principally of cash and cash equivalents, investments, due from governmental agencies, accounts receivable and contributions receivable. The Organization maintains its cash in bank deposit accounts and money market accounts, the balances of which, at times, may exceed federally insured limits. Exposure to credit risk is reduced by placing such deposits in high quality financial institutions. Concentration of credit risk with respect to due from governmental agencies, accounts receivable and contributions receivable is limited due to the fact that the receivables are mainly derived from governmental agencies under separate contracts and that contributions receivable are mainly derived from established foundations and have short payment periods. Investments are exposed to various risks. The Organization historically reduces its exposure to these risks by placing a significant portion of its investments in money market accounts. However, due to the level of risk associated with certain of its other investments, it is at least reasonably possible that changes in the value of these investments will occur in the near term and that such changes could materially affect the combined financial statements.

#### **Subsequent events**

The Organization evaluated its June 30, 2022, combined financial statements for subsequent events through March 27, 2023, the date the combined financial statements were available to be issued.

On March 12, 2023, the Signature Bank, N.A. in New York, New York was closed by the New York State Department of Financial Services and the Federal Deposit Insurance Corporation ("FDIC") was named receiver. To protect depositors, the FDIC transferred all the deposits and substantially all of the assets of Signature Bank to Signature Bridge Bank, National Association (N.A), a full-service bank that will be operated by the FDIC. The Organization's deposits at Signature Bridge Bank, N.A. did not exceed the \$250,000 and are thus insured by the FDIC. As such, no losses or restrictions on access to those amounts are expected in the near term. However, as the effect of the Signature Bank, N.A.'s closure is still developing, it is reasonably possible that its closure could have an impact on the Organization in the next year and the effect could be material.



## Jewish Association for Services for the Aged and Affiliate

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#### Note 3 - Fair value measurements

Fair value measurements establish a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities ("Level 1") and the lowest priority to unobservable inputs ("Level 3"). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Organization has the ability to access.

Level 2: Inputs other than quoted prices include:

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

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The Organization's holdings in certificates of deposit consist of FDIC insured investments with original maturities greater than 90 days that are carried at their aggregate fair values, determined by quoted market prices, and which can be liquidated daily. The valuation of the above is based on Level 1 inputs within the hierarchy used in measuring fair value.

Given the absence of market quotations, alternative investments in nonmarketable funds are reported at net asset value ("NAV") as a practical expedient to estimate the fair value of the Organization's interest therein. Their fair values are estimated using information provided to the Organization by the investment managers. Individual investment holdings within the alternative investments may include investments in both nonmarketable and market-traded securities. Nonmarketable securities may include equity in private companies, real estate, thinly-traded securities, and other investment vehicles. While the investments may indirectly expose the Organization to various financial instruments and varying degrees of risk, the Organization's exposure with respect to each such investment is limited to its carrying amount (fair value) in each investment. The financial statements of the investees are audited annually by nationally recognized firms of independent auditors. The Organization does not directly invest in the underlying securities of the investment funds and, due to certain restrictions on transferability

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and timing of withdrawals from the limited liability investment companies, the amounts realized upon liquidation could differ from reported values that are based on current conditions.

Below sets forth a table of assets measured at fair value as of June 30, 2022 and 2021:

	2022	
	Level 1	Total
Money market funds	\$ 50,917	\$ 50,917
Mutual funds	5,555,141	5,555,141
Totals	\$ 5,606,058	5,606,058
Investments measured at NAV (a)		1,270,260
Total investments		\$ 6,876,318
	2021	
	Level 1	Total
Money market funds	\$ 2,337,849	\$ 2,337,849
Mutual funds	2,786,711	2,786,711
Totals	\$ 5,124,560	5,124,560
Investments measured at NAV (a)		2,280,595
Total investments		\$ 7,405,155

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the combined statements of financial position.

The following tables provide additional information about alternative investments measured using NAV as of June 30, 2022 and 2021, respectively:

Investments	Fair values as of June 30, 2022	Unfunded commitments	Redemption frequency	Other redemption restrictions	Redemption notice period
Millennium International Ltd.	\$ 1,263,750	None	Annual	Redemptions occur on the anniversary of the initial subscription No redemptions are permitted.	90 days N/A
Other	6,510	None	None		
	\$ 1,270,260				
	Fair values as of June 30, 2021				
Investments	Fair values as of June 30, 2021	Unfunded commitments	Redemption frequency	Other redemption restrictions	Redemption notice period
Millennium International Ltd.	\$ 2,257,630	None	Annual	Redemptions occur on the anniversary of the initial subscription No redemptions are permitted.	90 days N/A
Other	22,965	None	None		
	\$ 2,280,595				

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### Notes to Combined Financial Statements June 30, 2022 and 2021

Millennium International Ltd. is a pooled hedge fund seeking returns by trading in equities, fixed income products, options, futures, and other financial instruments.

#### Note 4 - Property and equipment, net

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

	<u>2022</u>	<u>2021</u>
Land	\$ 1,495	\$ 1,495
Leasehold improvements	456,370	456,370
Furniture and equipment	586,370	586,370
Computer equipment, software and website	832,931	796,083
Vehicles	<u>753,287</u>	<u>753,287</u>
	2,630,453	2,593,605
Less accumulated depreciation and amortization	<u>2,224,505</u>	<u>2,110,751</u>
Total property and equipment, net	<u>\$ 405,948</u>	<u>\$ 482,854</u>

Depreciation and amortization expenses for the years ended June 30, 2022 and 2021, were \$113,754 and \$152,246, respectively.

#### Note 5 - Related party transactions

The Organization is related to JHM, One Stop Senior Services, and eight housing entities through their sole member, JASA Corporation. The Organization is related to Services for the Aged through common board members. The housing entities operate apartment buildings located in New York City and are regulated by the United States Department of Housing and Urban Development ("HUD"). Brookdale Village Housing Corporation and Coney Island Site Nine Houses, Inc. are also regulated by the New York State Division of Housing and Community Renewal ("DHCR"). JHM provides management services to the eight housing entities through management agreements approved by HUD and/or DHCR. The Organization provides some services onsite at the housing entities, for which the Organization is reimbursed. JHM recognized housing management fee income of approximately \$1,950,000 and \$2,120,000 for the years ended June 30, 2022 and 2021, respectively. Such fees are regulated by HUD or DHCR, as applicable.

The amounts due from affiliates are primarily for unpaid management fees, accounting fees and insurance costs. For the years ended June 30, 2022 and 2021, administrative fees charged to Services for the Aged approximated \$1,312,000 and \$1,234,000, respectively.

The Organization paid office rent to its affiliate, One Stop Senior Services, in the amount of approximately \$59,000 for both the years ended June 30, 2022 and 2021.

During the years ended June 30, 2022 and 2021, JASA Corporation made grants to JASA Services and JHM amounting to approximately \$6,351,000 and \$3,461,000, respectively.

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The following is a summary of related party receivables (payables):

	<u>2022</u>	<u>2021</u>
Due from (to) affiliates		
Services for the Aged	\$ 256,393	\$ 275,976
Brighton Beach Housing Development Fund Company, Inc.	53,287	30,728
Brookdale Village Housing Corporation	298,460	37,706
Coney Island Site Nine Houses, Inc.	58,697	58,585
Cooper Square Senior Housing LP	46,360	34,712
Israel Senior Citizens Housing Development Fund Corp	117,390	8,950
JASA Corporation	200,999	727,861
Manhattan Beach Housing Development Fund Corp	-	23,163
Manhattan Beach LP	46,953	-
One Stop Senior Services, Inc.	(20,972)	(21,489)
Positively Third Street Housing Development Fund Co., Inc.	25,650	83,149
Seagirt Housing LP	899,755	896,432
1490 South Boulevard	<u>(4,928)</u>	<u>64,503</u>
 Total	 <u>\$ 1,978,044</u>	 <u>\$ 2,220,276</u>

**Note 6 - Pension plan**

The Organization is a participant in a pension plan that has been characterized for financial accounting purposes as a multi-employer pension plan. The Retirement Plan for Employees of United Jewish Appeal - Federation of Jewish Philanthropies on New York, Inc. and Affiliate Agencies and Institutions (the "Fund"), EIN 51-0172429, is a noncontributory, multi-employer defined benefit plan which covers eligible employees of the Organization. The risks of participating in multi-employer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the multi-employer plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If one of the participating employers petitions to stop participating in the multi-employer plan, such employer may be required to pay the plan a withdrawal liability based on the funded status of the plan.

The Fund is designed to provide retirement benefits for its members, including the eligible employees of the Organization. Benefits are calculated utilizing specified percentages within the plan document.

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The following table discloses the most recent funded status of the Fund, as of October 1, 2021 and 2020 (the date of the latest actuarial valuation), inclusive of the fair value of plan assets as of September 30, 2021 and 2020, respectively:

Valuation date	EIN and Plan number	Fair value of Plan assets	Actuarial present value of accumulated Plan benefits	Total contributions	Funded status	Zone status
October 1, 2021	51-0172429, 333	\$ 553,390,717	\$ 559,450,666	\$ 22,669,782	99%	Green
October 1, 2020	51-0172429, 333	\$ 450,553,437	\$ 543,785,531	\$ 21,946,921	83%	Green

As of September 30, 2021 and 2020, the Fund has a certified green zone status as determined by the Fund's actuary. The Fund did not utilize any extended amortization provisions that would affect the calculation of its zone status.

The Organization is not required to file an annual zone certification under the Pension Protection Act of 2006 and disclosures concerning a financial improvement plan or rehabilitation plan are not applicable. The Fund is at least 99% funded using the most recent financial information as of September 30, 2021, the end of the Fund year.

The Organization's contributions to the Fund for the years ended June 30, 2022 and 2021, were approximately \$1,201,000 and \$1,596,000, respectively. The Organization's contributions for the Fund's years ended September 31, 2021 and 2020 represented approximately 6.5% and 6.6% of the total contributions for each of those years.

In addition, the Organization sponsors a defined contribution plan, under IRC 403(b), of which all employees are eligible to participate. Employees may defer a portion of their salaries up to the annual amount limited by the IRS. The Organization does not provide a matching contribution to this plan.

#### Note 7 - Loan payable

The Organization's landlord has provided interest-free facilities improvement loan for a maximum amount of \$350,000. As of June 30, 2022 and 2021, the loan had a balance of \$5,834 and \$70,000, respectively, to the landlord. The loan will be fully repaid in the subsequent year.

#### Note 8 - Commitments and contingencies

##### Government funding

The Organization receives a substantial amount of its operating support from federal, state and local governments. Any significant reduction in the level of this support could have an effect on the programs the Organization provides. For the years ended June 30, 2022 and 2021, approximately 95% and 96% of the government revenue, respectively, was earned through contracts with the City of New York (which includes federal and state pass-through awards). These contractual agreements are on a reimbursement basis, which requires performance of certain services by the Organization before revenue can be recognized.

Pursuant to the contractual agreements with the governmental funding sources, governmental agencies have the right to examine the books and records of the Organization involving transactions related to these contracts. In the opinion of management, disallowances, if any, would not be material to the Organization's financial position.

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#### Operating leases

The Organization leases office space under several operating leases expiring through September 2032. Aggregate minimum rent under operating leases are approximately as follows:

<u>Years ending June 30:</u>	
2023	\$ 2,423,681
2024	2,453,308
2025	2,475,009
2026	2,397,667
2027	426,411
Thereafter	<u>10,750,728</u>
	<u>\$ 20,926,804</u>

Rent expense was approximately \$2,949,000 and \$3,009,000 for the years ended June 30, 2022 and 2021, respectively, which is included in occupancy in the combined statements of functional expenses.

#### Litigation

The Organization is a defendant in various legal actions in the normal course of its operations. Although the final outcome of such actions cannot currently be determined, the Organization's management believes that the eventual liability to the Organization, if any, will be immaterial.

#### Note 9 - Endowment funds

##### Interpretation of relevant law

The New York Prudent Management of Institutional Funds Act ("NYPMIFA") was enacted in September 2010. The Organization has interpreted NYPMIFA as requiring the preservation 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 Organization classifies as permanently restricted net assets: (a) the original value of the 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. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions perpetual in nature is classified as net assets with program restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Board of Trustees considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the Organization and the donor-restricted endowment fund;
- General economic conditions;
- The possible effects of inflation and deflation;

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- The expected total return from income and the appreciation of investments;
- Other resources of the Organization;
- The investment policies of the Organization; and
- Where appropriate, alternatives to spending from donor-restricted endowment funds and the possible effects on the Organization.

#### Spending policy, return objectives and risk parameters

The Organization 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. Under this policy, as approved by the Investment Committee, the endowment assets are invested in a manner that is intended to provide, in priority order: 1) safety of principal; 2) liquidity for operating needs; 3) diversification of risk; and 4) maximization of yield.

#### Strategies employed for achieving objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy designed to provide a reasonable level of annual distributions to general operating funds and to provide for the long-term preservation of its endowment funds.

The investment strategy of the Organization is based on a disciplined, consistent and diversified approach utilizing multiple asset classes and multiple managers, as appropriate. The intent is to accommodate and consider diverse strategies deemed reasonable and prudent.

Invested assets are managed in a socially responsible manner with the goal of protecting principal while generating income appropriate to conservative investment strategy with strict fiscal principles.

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	With donor restrictions		
	Program restrictions	Perpetual in nature	Total
Endowment net assets, beginning of year	\$ -	\$ 1,216,394	\$ 1,216,394
Realized and unrealized investment income	(138,822)	-	(138,822)
	<u>\$ (138,822)</u>	<u>\$ 1,216,394</u>	<u>\$ 1,077,572</u>

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Changes in endowment net assets for the year ended June 30, 2021 are as follows:

	With donor restrictions		
	Program restrictions	Perpetual in nature	Total
Endowment net assets, beginning of year	\$ -	\$ 1,216,394	\$ 1,216,394
Realized and unrealized investment income	116,565	-	116,565
Appropriation of endowment assets for expenditures and other costs	<u>(116,565)</u>	<u>-</u>	<u>(116,565)</u>
	<u>\$ -</u>	<u>\$ 1,216,394</u>	<u>\$ 1,216,394</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the historical dollar value of the funds. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred during the year. Subsequent gains that restore the fair value of the net assets of the endowment funds to the original level will be classified as an increase in net assets with donor restrictions. As of June 30, 2022 and 2021, the amount by which funds were underwater were \$138,822 and \$0, respectively.

**Note 10 - Net assets**

**Without donor restrictions**

Net assets without donor restrictions are broken out into two categories which are undesignated and board designated - operating reserve. The undesignated funds are fully available to the Organization without any restrictions or permissions from the Board of Trustees. Included in that amount, is a working capital fund set aside to supplement cash flow needs due to funder reimbursement timing issues. Once the reimbursement receivables are paid, the money is replenished back to the working capital fund. The working capital fund does not require any board approvals to use. The board designated - operating reserve fund requires finance committee approval prior to accessing funds but are not restricted in any way for use or specific programs.



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**With donor restrictions**

Net assets with donor restrictions are available for use in future periods to offset expenses and are available by program service and program as restricted by the respective donors as follows as of June 30:

	<u>2022</u>	<u>2021</u>
Sundays at JASA	\$ 56,116	\$ 53,419
Client financial assistance	32,431	26,876
Elder abuse and legal assistance	112,500	-
Community health	33,045	-
Home delivered meals	1,730	25,000
Senior centers	55,579	53,448
Time restricted	-	250,000
Information and assistance	86,308	-
Technology initiative	36,316	-
Social work education and research	500,000	-
Others	<u>110,525</u>	<u>122,162</u>
	1,024,550	530,905
Endowment fund	<u>1,077,572</u>	<u>1,216,394</u>
	<u>\$ 2,102,122</u>	<u>\$ 1,747,299</u>

Net assets with donor restrictions were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time. The net assets released from restrictions for the years ended June 30, 2022 and 2021, by program service and program, were as follows:

	<u>2022</u>	<u>2021</u>
COVID-19	\$ 375	\$ 466,230
Client financial assistance	-	2,864
Elder abuse and legal assistance	37,500	163,750
Sundays at JASA	-	27,957
Community health	16,955	55,719
Home delivered meals	68,770	31,604
Senior centers	-	-
Time restricted	250,000	262,500
Information and assistance	78,692	-
Technology initiative	3,684	-
Others	<u>7,629</u>	<u>88,338</u>
	<u>\$ 463,605</u>	<u>\$ 1,098,962</u>

**Note 11 - Collective bargaining agreement**

Substantially all of the Organization's nonmanagement employees are covered by a collective bargaining agreement. The agreement with New York's Community and Social Agency Employees

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**Notes to Combined Financial Statements  
June 30, 2022 and 2021**

Union District Council 1707 ("DC 1707") was effective through June 30, 2018. In July 2019, the Organization signed a memorandum of understanding with DC 1707 to extend the collective bargaining agreement to June 30, 2021. Currently, the Organization is operating under the terms of the existing agreement.

**Note 12 - Availability and liquidity**

As of June 30, 2022 and 2021, the following represents the Organization's liquidity resources and financial assets available within one year of the dates of financial position for general expenditures, such as operating expenses:

	<u>2022</u>	<u>2021</u>
Financial assets, at year end		
Cash	\$ 3,329,797	\$ 7,472,328
Investments	6,876,318	7,405,155
Due from governmental agencies	5,635,877	2,966,655
Accounts receivable, net	10,963,965	5,405,859
Due from affiliates, net	<u>1,978,044</u>	<u>2,220,276</u>
Total financial assets	28,784,001	25,470,273
Less amounts not available to be used within one year		
Investments in limited liability investment companies (see Note 3)	6,510	22,965
Net assets with donor restrictions	<u>2,102,122</u>	<u>1,747,299</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 26,675,369</u>	<u>\$ 23,700,009</u>

The board-designated operating reserve in the amount of \$5,841,719 can be appropriated for general expenditure, if necessary, by approval of the Board of Trustees.

## **Supplemental Information**

**Jewish Association for Services for the Aged and Affiliate**

**Combining Statement of Financial Position  
June 30, 2022**

Assets

	<u>JASA Services</u>	<u>JHM</u>	<u>Eliminations</u>	<u>Total</u>
<b>Current assets</b>				
Cash	\$ 2,975,503	\$ 354,294	\$ -	\$ 3,329,797
Investments at fair value	5,606,058	-	-	5,606,058
Due from governmental agencies	5,635,877	-	-	5,635,877
Accounts receivable, net	10,963,965	-	-	10,963,965
Due from affiliates, net	1,169,489	927,769	(119,214)	1,978,044
Prepaid expenses and other assets	<u>887,376</u>	<u>30,227</u>	<u>-</u>	<u>917,603</u>
<b>Total current assets</b>	<u>27,238,268</u>	<u>1,312,290</u>	<u>(119,214)</u>	<u>28,431,344</u>
<b>Noncurrent assets</b>				
Investments in limited liability investment companies	1,270,260	-	-	1,270,260
Property and equipment, net	402,948	3,000	-	405,948
Assets held for a specific purpose	548,543	-	-	548,543
Assets held for Guardianship clients and others	<u>7,392,407</u>	<u>-</u>	<u>-</u>	<u>7,392,407</u>
<b>Total noncurrent assets</b>	<u>9,614,158</u>	<u>3,000</u>	<u>-</u>	<u>9,617,158</u>
<b>Total assets</b>	<u>\$ 36,852,426</u>	<u>\$ 1,315,290</u>	<u>\$ (119,214)</u>	<u>\$ 38,048,502</u>

Liabilities and Net Assets

<b>Current liabilities</b>				
Accounts payable and accrued expenses	\$ 2,777,011	\$ 25,288	\$ -	\$ 2,802,299
Accrued payroll and payroll taxes	2,692,689	303,416	-	2,996,105
Loan payable	5,834	-	-	5,834
Due to affiliates	-	119,214	(119,214)	-
Refundable advances and other liabilities	<u>4,464,296</u>	<u>-</u>	<u>-</u>	<u>4,464,296</u>
<b>Total current liabilities</b>	<u>9,939,830</u>	<u>447,918</u>	<u>(119,214)</u>	<u>10,268,534</u>
<b>Noncurrent liabilities</b>				
Deferred rent liabilities	1,597,680	-	-	1,597,680
Amounts held for a specific purpose	548,543	-	-	548,543
Due to Guardianship clients and others	<u>7,392,407</u>	<u>-</u>	<u>-</u>	<u>7,392,407</u>
<b>Total noncurrent liabilities</b>	<u>9,538,630</u>	<u>-</u>	<u>-</u>	<u>9,538,630</u>
<b>Total liabilities</b>	<u>19,478,460</u>	<u>447,918</u>	<u>(119,214)</u>	<u>19,807,164</u>
<b>Net assets</b>				
Without donor restrictions				
Undesignated	9,430,125	867,372	-	10,297,497
Board designated - operating reserve	<u>5,841,719</u>	<u>-</u>	<u>-</u>	<u>5,841,719</u>
	15,271,844	867,372	-	16,139,216
With donor restrictions	<u>2,102,122</u>	<u>-</u>	<u>-</u>	<u>2,102,122</u>
<b>Total net assets</b>	<u>17,373,966</u>	<u>867,372</u>	<u>-</u>	<u>18,241,338</u>
<b>Total liabilities and net assets</b>	<u>\$ 36,852,426</u>	<u>\$ 1,315,290</u>	<u>\$ (119,214)</u>	<u>\$ 38,048,502</u>

See Independent Auditor's Report.

**Jewish Association for Services for the Aged and Affiliate**

**Combining Statement of Activities  
Year Ended June 30, 2022**

	JASA Services			JHM		Total		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	Eliminations	Without donor restrictions	With donor restrictions	Total
Support and revenues								
Private support								
UJA - Federation of New York grants	\$ 3,076,771	\$ -	\$ 3,076,771	\$ -	\$ -	\$ 3,076,771	\$ -	\$ 3,076,771
Contributions	3,309,236	957,250	4,266,486	5,603	-	3,314,839	957,250	4,272,089
JASA Corporation grants	4,090,445	-	4,090,445	2,260,736	-	6,351,181	-	6,351,181
Meals on Wheels grants	1,332,560	-	1,332,560	-	-	1,332,560	-	1,332,560
Special events	603,908	-	603,908	-	-	603,908	-	603,908
Less cost of direct benefits to donors	(39,280)	-	(39,280)	-	-	(39,280)	-	(39,280)
Legacies and bequests	167,156	-	167,156	-	-	167,156	-	167,156
Total private support	12,540,796	957,250	13,498,046	2,266,339	-	14,807,135	957,250	15,764,385
Governmental support	36,535,517	-	36,535,517	-	-	36,535,517	-	36,535,517
Total private and governmental support	49,076,313	957,250	50,033,563	2,266,339	-	51,342,652	957,250	52,299,902
Revenues								
Program service fees	6,851,133	-	6,851,133	279,444	(1,722,842)	5,407,735	-	5,407,735
Housing management fees	-	-	-	1,953,393	-	1,953,393	-	1,953,393
Client fees	268,244	-	268,244	-	-	268,244	-	268,244
Miscellaneous	26,392	-	26,392	15,467	-	41,859	-	41,859
Investment income, net	(345,094)	(138,822)	(483,916)	-	-	(345,094)	(138,822)	(483,916)
Total revenues	6,800,675	(138,822)	6,661,853	2,248,304	(1,722,842)	7,326,137	(138,822)	7,187,315
Net assets released from restrictions	463,605	(463,605)	-	-	-	463,605	(463,605)	-
Total support and revenues	56,340,593	354,823	56,695,416	4,514,643	(1,722,842)	59,132,394	354,823	59,487,217
Expenses								
Program services	42,582,907	-	42,582,907	-	-	42,582,907	-	42,582,907
Total program services	42,582,907	-	42,582,907	-	-	42,582,907	-	42,582,907
Supporting services								
Management and general - JASA	12,158,872	-	12,158,872	-	-	12,158,872	-	12,158,872
Management and general - JHM	-	-	-	4,514,643	(1,722,842)	2,791,801	-	2,791,801
Fundraising	522,039	-	522,039	-	-	522,039	-	522,039
Total supporting services	12,680,911	-	12,680,911	4,514,643	(1,722,842)	15,472,712	-	15,472,712
Total expenses	55,263,818	-	55,263,818	4,514,643	(1,722,842)	58,055,619	-	58,055,619
Changes in net assets	1,076,775	354,823	1,431,598	-	-	1,076,775	354,823	1,431,598
Net assets, beginning	14,195,069	1,747,299	15,942,368	867,372	-	15,062,441	1,747,299	16,809,740
Net assets, end	\$ 15,271,844	\$ 2,102,122	\$ 17,373,966	\$ 867,372	\$ -	\$ 16,139,216	\$ 2,102,122	\$ 18,241,338

See Independent Auditor's Report.