



# Jewish Federation of Greater Dallas

Financial Statements  
As of and for the Years Ended  
July 31, 2021 and 2020

# Jewish Federation of Greater Dallas

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## Independent Auditor's Report

The Board of Directors  
Jewish Federation of Greater Dallas  
Dallas, Texas

### *Qualified Opinion*

We have audited the financial statements of the Jewish Federation of Greater Dallas (the "Federation"), which comprise the statements of financial position as of July 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Federation as of July 31, 2021 and 2020, 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 Qualified Opinion*

As described further in Notes 1 and 9, the accompanying financial statements do not include the financial statements of Northaven Campus Facilities Corporation. In accordance with accounting principles generally accepted in the United States of America, a not-for-profit organization that has both an economic interest and control of another not-for-profit entity through a majority voting interest in the other entity's board should consolidate that entity's activities into its financial statements. However, the accompanying financial statements are not consolidated due to management's desire to present only the Federation's financial position and activities. Note 9 documents the unaudited financial statement impacts had the accounts of Northaven Campus Facilities Corporation been included in the accompanying financial statements.

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 Financial Statements section of our report. We are required to be independent of the Federation 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 qualified audit opinion.

### *Responsibilities of Management for the Financial Statements*

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



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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Federation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*BDO USA LLP*

Dallas, Texas

# Jewish Federation of Greater Dallas

## Statements of Financial Position

<i>July 31,</i>	2021	2020
<b>Assets</b>		
Cash and cash equivalents	\$ 5,677,619	\$ 5,875,038
Pledges receivable, net	4,431,133	5,410,469
Prepaid expenses and other assets	59,605	49,545
Investments	6,152,208	4,793,026
Interest in Marx Fund	311,066	275,316
Leasehold improvements, equipment and furniture, net	1,395,876	803,993
<b>Total assets</b>	<b>\$ 18,027,507</b>	<b>\$ 17,207,387</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and other liabilities	\$ 1,051,045	\$ 1,460,644
Agency liabilities	95,150	147,650
Allocations payable	7,341,251	7,372,303
Notes payable	250,000	-
PPP loan	-	493,900
Due to associated agencies	-	290,518
<b>Total liabilities</b>	<b>8,737,446</b>	<b>9,765,015</b>
<b>Commitments and Contingencies</b>		
<b>Net Assets:</b>		
Without donor restrictions:		
Undesignated	5,661,956	3,543,364
Board designated	1,494,768	1,497,297
<b>Total without donor restrictions</b>	<b>7,156,724</b>	<b>5,040,661</b>
<b>With donor restrictions</b>	<b>2,133,337</b>	<b>2,401,711</b>
<b>Total net assets</b>	<b>9,290,061</b>	<b>7,442,372</b>
<b>Total liabilities and net assets</b>	<b>\$ 18,027,507</b>	<b>\$ 17,207,387</b>

*See accompanying notes to financial statements.*

# Jewish Federation of Greater Dallas

## Statement of Activities - For the Year Ended July 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>			
Grants and contributions	\$ 10,913,620	\$ 474,627	\$ 11,388,247
Special event, net	262,602	-	262,602
Provisions for losses on uncollectable contributions	(234,127)	-	(234,127)
Investment income	1,005,048	-	1,005,048
Change in the value of assets held by DJCF	(2,570)	-	(2,570)
Other income	35,394	-	35,394
Net assets released from restrictions	743,001	(743,001)	-
<b>Total revenue and support</b>	<b>12,722,968</b>	<b>(268,374)</b>	<b>12,454,594</b>
<b>Expenses and Distributions</b>			
Program services:			
Allocations to National, International, and Local Agencies			
	5,444,542	-	5,444,542
Community engagement	1,509,406	-	1,509,406
Center for Jewish Education	490,820	-	490,820
Israel and Overseas	308,309	-	308,309
Shared and Other	445,790	-	445,790
Jewish Federations of North America	365,041	-	365,041
Jewish Community Relations Council	247,371	-	247,371
Planning and Allocations	226,692	-	226,692
Other Programs	203,290	-	203,290
<b>Total program services</b>	<b>9,241,261</b>	<b>-</b>	<b>9,241,261</b>
Fundraising - One Night	51,344	-	51,344
Fundraising - Other	824,293	-	824,293
General and Administrative	844,137	-	844,137
<b>Total expenses and distributions</b>	<b>10,961,035</b>	<b>-</b>	<b>10,961,035</b>
Loss on advance to NCFC	(139,770)	-	(139,770)
PPP loan forgiveness income	493,900	-	493,900
<b>Change in net assets</b>	<b>2,116,063</b>	<b>(268,374)</b>	<b>1,847,689</b>
<b>Net assets at beginning of year</b>	<b>5,040,661</b>	<b>2,401,711</b>	<b>7,442,372</b>
<b>Net assets at end of year</b>	<b>\$ 7,156,724</b>	<b>2,133,337</b>	<b>\$ 9,290,061</b>

*See accompanying notes to financial statements.*

# Jewish Federation of Greater Dallas

## Statement of Activities - For the Year Ended July 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>			
Grants and contributions	\$ 10,386,568	\$ 2,202,361	\$ 12,588,929
Special event, net	244,721	-	244,721
Provisions for losses on uncollectable contributions	(309,781)	-	(309,781)
Investment income	82,058	-	82,058
Change in the value of assets held by DJCF	(22,888)	-	(22,888)
Other income	21,700	-	21,700
Net assets released from restrictions	354,876	(354,876)	-
<b>Total revenue and support</b>	<b>10,757,254</b>	<b>1,847,485</b>	<b>12,604,739</b>
<b>Expenses and Distributions</b>			
Program services:			
Allocations to National, International, and Local Agencies			
	5,283,667	-	5,283,667
Community engagement	880,005	-	880,005
Center for Jewish Education	552,612	-	552,612
Israel and Overseas	260,797	-	260,797
Shared and Other	247,830	-	247,830
Jewish Federations of North America	360,000	-	360,000
Jewish Community Relations Council	290,803	-	290,803
Planning and Allocations	278,076	-	278,076
Other Programs	201,164	-	201,164
Missions and Leadership	11,415	-	11,415
<b>Total program services</b>	<b>8,366,369</b>	<b>-</b>	<b>8,366,369</b>
Fundraising - One Night	273,368	-	273,368
Fundraising - Other	1,111,215	-	1,111,215
General and Administrative	937,699	-	937,699
<b>Total expenses and distributions</b>	<b>10,688,651</b>	<b>-</b>	<b>10,688,651</b>
Change in net assets	68,603	1,847,485	1,916,088
Net assets at beginning of year	4,972,058	554,226	5,526,284
<b>Net assets at end of year</b>	<b>\$ 5,040,661</b>	<b>\$ 2,401,711</b>	<b>\$ 7,442,372</b>

*See accompanying notes to financial statements.*

# Jewish Federation of Greater Dallas

## Statement of Functional Expenses for the Year Ended July 31, 2021

	Allocations to National, International and Local Agencies	Community Engagement	Center for Jewish Education	Israel and Overseas	Shared and Other	Jewish Federations of North America	Jewish Community Relations Council	Planning and Allocations	Other Programs	Total Program Services	Fundraising One Night	Fundraising Other than One Night	General and Administrative	Total
Salaries	-	\$ 884,774	\$ 308,982	\$ 106,060	\$ 148,765	-	\$ 173,097	\$ 154,972	\$ 139,533	\$ 1,916,183	-	\$ 450,081	\$ 462,799	\$ 2,829,063
Benefits	-	96,386	11,866	12,391	16,468	-	13,058	8,851	6,140	165,160	-	47,599	43,310	256,069
Taxes	-	75,353	22,660	8,332	11,234	-	13,378	10,953	10,636	152,546	-	37,993	36,158	226,697
<b>Total payroll expenses</b>	-	<b>1,056,513</b>	<b>343,508</b>	<b>126,783</b>	<b>176,467</b>	-	<b>199,533</b>	<b>174,776</b>	<b>156,309</b>	<b>2,233,889</b>	-	<b>535,673</b>	<b>542,267</b>	<b>3,311,829</b>
Allocations	5,439,322	79,639	-	80,000	-	-	-	25,000	-	5,623,961	-	8,800	19,700	5,652,461
Bank fees and credit discount fees	-	-	-	-	114,001	-	-	-	-	114,001	-	-	-	114,001
Cell phone reimbursement	-	4,931	1,640	734	924	-	960	1,006	96	10,291	-	2,442	2,176	14,909
Dues and subscriptions	-	2,066	66,013	-	138	365,041	7,374	920	650	442,202	-	902	1,436	444,540
Equipment and maintenance	-	1,590	58	153	1,394	-	307	164	128	3,794	-	1,952	2,961	8,707
Insurance	-	12,055	-	1,498	4,098	-	2,995	1,597	1,248	23,491	-	8,953	17,431	49,875
Meetings and conferences	-	9,019	621	149	88	-	1,330	681	386	12,274	7	2,540	1,350	16,171
Missions	-	-	-	(2,025)	-	-	-	-	-	(2,025)	-	-	-	(2,025)
Occupancy	-	61,944	32,089	7,747	9,868	-	15,348	8,365	7,246	142,607	-	30,107	24,751	197,465
Office supplies and materials	-	1,110	-	193	903	-	9	49	-	2,264	5	2,265	12,772	17,306
Other	5,220	3,981	9,911	226	53,097	-	142	-	36	72,613	64	14,946	67,405	155,028
Postage and shipping	-	21,688	102	6	548	-	-	11	-	22,355	5,199	7,176	734	35,464
Printing and related	-	36,889	-	2	2,899	-	200	-	-	39,990	1,117	27,972	5,178	74,257
Professional services	-	49,098	2,250	80,000	47,216	-	5,450	-	31,738	215,752	517	66,429	85,800	368,498
Rentals, facilities, and decorations for events	-	109,219	7,881	12,812	8,119	-	-	-	-	138,031	44,435	68,547	2,030	253,043
Software and Licenses	-	10,560	212	-	17,267	-	42	-	-	28,081	-	21,390	35,987	85,458
Travel	-	595	162	31	15	-	49	36	-	888	-	251	112	1,251
<b>Total expense before depreciation and amortization</b>	<b>5,444,542</b>	<b>1,460,897</b>	<b>464,447</b>	<b>308,309</b>	<b>437,042</b>	<b>365,041</b>	<b>233,739</b>	<b>212,605</b>	<b>197,837</b>	<b>9,124,459</b>	<b>51,344</b>	<b>800,345</b>	<b>822,188</b>	<b>10,798,238</b>
Depreciation and amortization of leasehold improvements, equipment and furniture and loss on disposal of fixed assets	-	48,509	26,373	-	8,748	-	13,632	14,087	5,453	116,802	-	23,948	22,047	162,797
<b>Grand total</b>	<b>\$ 5,444,542</b>	<b>\$ 1,509,406</b>	<b>\$ 490,820</b>	<b>\$ 308,309</b>	<b>\$ 445,790</b>	<b>\$ 365,041</b>	<b>\$ 247,371</b>	<b>\$ 226,692</b>	<b>\$ 203,290</b>	<b>\$ 9,241,261</b>	<b>\$ 51,344</b>	<b>\$ 824,293</b>	<b>\$ 844,137</b>	<b>\$ 10,961,035</b>

*See accompanying notes to financial statements.*



# Jewish Federation of Greater Dallas

## Statement of Functional Expenses for the Year Ended July 31, 2020

	Center for Jewish Education	Community Engagement	Jewish Community Relations Council	Missions and Leadership	Other Programs	Israel and Overseas	Planning and Allocations	Shared and Other	Jewish Federations NA	Allocations to National, International and Local Agencies	Fundraising Other than One Night	Fundraising One Night	General and Administrative	In Kind Rent	Total
Salaries	\$ 328,868	\$ 743,429	\$ 183,973	\$ -	\$ 125,311	\$ 67,110	\$ 180,663	\$ 145,418	\$ -	\$ -	\$ 392,646	\$ -	\$ 459,470	\$ -	\$ 2,626,888
Benefits	7,494	81,814	12,805	-	4,999	8,720	17,386	22,748	-	-	43,488	-	54,813	-	254,267
Taxes	22,236	51,540	14,047	-	9,498	5,023	13,247	10,614	-	-	27,218	-	30,083	-	183,506
<b>Total payroll expenses</b>	<b>358,598</b>	<b>876,783</b>	<b>210,825</b>	<b>-</b>	<b>139,808</b>	<b>80,853</b>	<b>211,296</b>	<b>178,780</b>	<b>-</b>	<b>-</b>	<b>463,352</b>	<b>-</b>	<b>544,366</b>	<b>-</b>	<b>3,064,661</b>
Allocations	-	-	-	-	-	85,000	-	-	-	5,283,117	1,000	-	9,000	-	5,378,117
Bank fees and credit discount fees	-	-	-	-	-	-	-	95,457	-	-	-	-	-	-	95,457
Cell phone reimbursement	1,555	3,569	1,000	-	168	420	1,184	484	-	-	1,800	-	1,920	-	12,100
Dues and subscriptions	75,528	1,811	7,748	-	1,075	-	400	135	360,000	-	790	-	1,050	-	448,537
Equipment and maintenance	916	1,945	517	-	1,000	151	384	2,555	-	-	3,166	-	5,324	-	15,958
Insurance	-	11,692	1,692	-	649	479	1,269	3,033	-	-	6,312	2,255	18,150	-	45,531
Meetings and conferences	11,897	9,852	10,521	-	10,089	273	3,197	3,268	-	-	5,175	404	12,861	-	67,537
Missions	(2,000)	-	-	8,672	-	9,250	-	-	-	-	2,743	-	-	-	18,665
Occupancy	60,869	118,508	31,219	-	12,791	8,899	23,212	22,102	-	-	59,258	-	57,502	-	394,360
Office supplies and materials	1,113	3,734	316	-	156	-	651	427	-	-	3,799	162	22,628	-	32,986
Other	689	2,791	152	-	-	-	-	5,142	-	5,742	2,139	63	8,796	-	25,514
Postage and shipping	453	11,411	6	-	-	1	6	2,294	-	-	13,275	947	1,415	-	29,808
Printing and related	2,386	50,131	525	-	79	360	262	1,253	-	-	47,143	4,138	8,538	-	114,815
Professional services	9,722	146,735	9,598	-	28,334	80,161	20,322	32,133	-	-	45,491	38,990	55,664	-	467,150
Rentals, facilities and decorations for events	11,591	131,017	1,432	-	1,400	4,195	-	-	-	-	14,900	35,049	121	-	199,705
Software and licenses	225	12,502	303	-	-	-	959	12,371	-	-	17,258	-	26,783	-	70,401
Travel	490	1,268	912	-	-	86	430	236	-	-	598	3	381	-	4,404
<b>Total</b>	<b>534,032</b>	<b>1,383,749</b>	<b>276,766</b>	<b>8,672</b>	<b>195,549</b>	<b>270,128</b>	<b>263,572</b>	<b>359,670</b>	<b>360,000</b>	<b>5,288,859</b>	<b>688,199</b>	<b>82,011</b>	<b>774,499</b>	<b>-</b>	<b>10,485,706</b>
Depreciation and amortization of leasehold improvements, equipment and furniture and loss on disposal of fixed assets	9,330	48,426	14,037	-	5,615	-	14,504	62,255	-	-	24,307	-	24,471	-	202,945
<b>Grand total</b>	<b>\$ 543,362</b>	<b>\$ 1,432,175</b>	<b>\$ 290,803</b>	<b>\$ 8,672</b>	<b>\$ 201,164</b>	<b>\$ 270,128</b>	<b>\$ 278,076</b>	<b>\$ 421,925</b>	<b>\$ 360,000</b>	<b>\$ 5,288,859</b>	<b>\$ 712,506</b>	<b>\$ 82,011</b>	<b>\$ 798,970</b>	<b>\$ -</b>	<b>\$ 10,688,651</b>

*See accompanying notes to financial statements.*

# Jewish Federation of Greater Dallas

## Statements of Cash Flows

<i>For the years ended July 31,</i>	2021	2020
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 1,847,689	\$ 1,916,088
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	135,479	149,696
Loss on disposal of fixed assets	27,318	53,248
Provision for losses on uncollectible contributions receivable	234,127	309,781
Loss on advance to NCFC	139,770	-
PPP loan forgiveness income	(493,900)	-
Realized and unrealized losses (gains) on investments, net	(909,326)	46,596
Change in operating assets and liabilities		
Pledges receivable	745,209	(183,576)
Prepaid expenses and other assets	(10,060)	(9,975)
Accounts payable and other liabilities	(409,599)	409,105
Agency liabilities	(52,500)	(233,150)
Allocations payable	(31,052)	(164,124)
Due to associated agencies	(430,288)	265,815
<b>Net cash provided by operating activities</b>	<b>792,867</b>	<b>2,559,504</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(449,856)	(790,914)
Change in interest in Marx Fund	(35,750)	5,748
Purchases of fixed assets	(754,680)	(219,921)
<b>Net cash used in investing activities</b>	<b>(1,240,286)</b>	<b>(1,005,087)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from notes payable	500,000	-
Payment of notes payable	(250,000)	-
<b>Net cash provided by financing activities</b>	<b>250,000</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	(197,419)	2,048,317
Cash and cash equivalents at beginning of year	5,875,038	3,826,721
<b>Cash and cash equivalents at end of year</b>	<b>\$ 5,677,619</b>	<b>\$ 5,875,038</b>

*See accompanying notes to financial statements.*

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### 1. Nature of Operations and Significant Accounting Policies

#### *Nature of Operations*

The Jewish Federation of Greater Dallas (the Federation) coordinates and implements fund-raising, planning, leadership development, education, and community relations for the Jewish community. Substantially all of the Federation's revenues are raised from individuals and organizations in the Dallas/Fort Worth area. The Federation is qualified as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

The Federation's primary programs include:

***Allocations to national, international, and local agencies:*** Allocations to national, international, and local agencies are gifts and grants made by the Federation to various agencies and organizations in fulfillment of the Federation's mission.

***Community Engagement:*** A main component of the mission of the Federation is to build community in addition to raising and allocating funds. Through engagement of hundreds of volunteers across various departments of the Federation, the Federation inspires and connects community members who might otherwise not be actively involved in the organized Jewish community including the Campaign department, Israel and Overseas, Planning and Allocations, Finance, Partnership 2Gether, Young Adult Division and others.

***Center for Jewish Education:*** The Center for Jewish Education (CJE) serves as a resource, facilitator, and convener within the community; to enrich existing programs, and serve as a catalyst for new Jewish education initiatives; and to promote Jewish education as the critical link to ensuring Jewish continuity and the increased engagement of all members of the Greater Dallas Jewish community. CJE works with other Federation departments particularly in areas involving educational planning.

***Israel and Overseas:*** The Israel and Overseas program works to build awareness and momentum in Dallas around the case for Israel and Overseas by maintaining living connections between Dallas and Jewish communities in Israel and around the world. Israel and Overseas initiatives create meaningful program, travel, and engagement opportunities for the Dallas community.

***Shared and Other:*** Occupancy, professional services, and other expenses shared by the major programs listed above and various smaller programmatic functions for which allocation to individual programs is not reasonably determinable or material to the financial statements.

***Jewish Federations of North America:*** The Jewish Federations of North America is the International umbrella organization for the North American Federations. They provide numerous services to each local Federation including consulting and recruitment, marketing and branding guidelines and tactics, national young adult and women's philanthropy programs, missions and VIP travel support, leadership development, financial resource development consulting and other vital programs and services that ultimately benefit the entire community through the success of the local Federations.

***Jewish Community Relations Council:*** The Jewish Community Relations Council (JCRC) seeks to build understanding and generate support for Israel, public policy and social issues which are important to the Dallas Jewish community. As the public affairs division of the Federation,

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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its scope encompasses public policy, communications, education, issue management, interfaith and interethnic relations, and social action.

**Planning and Allocations:** Planning and allocation activities are associated with identifying, selecting, and monitoring programs, agencies, and organizations requesting and receiving allocations as well as allocation of the dollars raised in the annual campaign.

**Other Programs:** Various activities related to other major programs for which the programs do not share expenses between other functions. Other Programs primarily includes the Community Security Initiative and special allocations.

**Missions and Leadership:** Missions and leadership activities include programs and trips sponsored by the Federation to explore Jewish life in other communities, Israel and other countries, and to address ongoing communal needs by recruiting and educating young men and women to be active and effective participants in the Jewish community in the years to come.

Northaven Campus Facilities Corporation (NCFC) was established to oversee the maintenance, operation, and development of the property and buildings where the Federation and a separate entity are located. NCFC is a 501(c)(3) organization operating as a supporting agency of the Federation under the meaning of Section 509(a)(3). Under NCFC's articles of incorporation and by-laws, it operates with its own board of directors. Three of the five directors must be either serving members of the Federation board of directors or past chairmen of the Federation.

Under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 958-810 *Not-for-Profit Entities - Consolidation*, when a reporting organization controls another organization, consolidated financial statements are required for a fair presentation in conformity with accounting principles generally accepted in the United States of America. The Federation and NCFC meet the criteria for consolidation due to common board membership and identical management, which constitutes economic interest and control in accordance with generally accepted accounting principles. The accompanying financial statements are not consolidated due to management's desire to present a separate set of financial statements showing only the Federation's financial position and results of operations. The consolidated statements of financial position in summary format for the Federation and NCFC are included in Note 9.

### **Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States (GAAP) except as noted above. The Federation reports information regarding its financial position and activities according to two classes of net assets:

**Net Assets without Donor Restrictions** - Represents resources that are generally not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors. Contributions received with time and/or purpose restrictions which are fully expended in the same period are classified as net assets without donor restrictions.

**Net Assets with Donor Restriction** - Net assets whose use by the Federation is subject to donor-imposed restrictions that can be fulfilled by actions of the Federation pursuant to those restrictions, that expire by the passage of time, or net assets subject to donor-imposed restrictions that must be maintained in perpetuity by the Federation. The Federation has no net assets held in perpetuity as of July 31, 2021 and 2020.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### *Revenue Recognition*

Grants, contributions, and support are recorded as assets at fair value at the earlier of the date when unconditional pledge commitments are established or received. The related revenue is reported as an increase in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expirations of restrictions on net assets, either by fulfillment of the stipulated purpose or the passage of time, are reported as reclassifications (net assets released from restrictions) between the applicable classes of net assets. Contributions with donor-imposed restrictions that are met in the same year as the contributions are received are reported as revenues in the without donor restrictions classification. Contributions restricted for the acquisition of property and equipment are reported as net assets without donor restrictions upon acquisition of the assets and the assets being placed in service.

The Federation recognized revenue from special events in the period the performance obligation is met. Any payments received prior to the event taking place is deferred as a liability on the statement of financial position. There are no collections as of July 31, 2021 and 2020 for events which will happen in the subsequent fiscal year.

Revenues from grants, contributions, and support are recognized in accordance with Accounting Standards Update (“ASU”) 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (“ASU 2018-08”). Accordingly, the Federation evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be a contribution, Federation evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before Federation is entitled to the assets transferred and promised and (2) a right of return of assets or a right of release of a promisor’s obligation to transfer assets. Revenues which are deemed to be unconditional are considered to be available for general purposes (without donor restrictions) unless specifically restricted by the donor. Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported within net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected after one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates. Amortization of the discount is included in contribution revenue. Conditional promises to give are not recognized until the conditions are substantially met.

In accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 606, Revenue from Contracts with Customers (“ASC 606”), the Federation recognizes revenues from special events when the performance obligations are satisfied in accordance with a five-step model. ASC 606 also requires new and expanded disclosures regarding revenue recognition to ensure an understanding as to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Special events revenues that are subject to ASC 606 are not significant to the Federation.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### ***Cash and Cash Equivalents***

For purposes of cash flows, the Federation considers cash, money market accounts, and all highly liquid debt instruments with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents held for long-term or restricted purposes are classified as investments.

### ***Pledges Receivable***

Pledges receivable, net consist of unconditional promises to give and are recognized in the year the unconditional promise is made, at their fair value. Because substantially all pledges are due within one year, the effect of discounting future pledges to present value is insignificant. Therefore, no discount has been applied.

At July 31, 2021 and 2020, the Federation's pledges receivable consists of amounts which the Federation expects to be substantially collected in one year or less, less an allowance for uncollectible pledges for all current and prior campaigns of \$694,958 and \$1,062,792, respectively. Amounts written off in 2021 and 2020 were \$601,962 and \$432,527, respectively.

The allowance for doubtful pledges is based on the collection experience of the Federation and analysis of specific promises made.

### ***Investments and Interest in Marx Fund***

Investments and interest in Marx Fund on the statements of financial position represents assets of the Federation that are primarily held by the Dallas Jewish Community Foundation (the Foundation). Investments held by the Foundation are diversified and include cash equivalents, mutual funds, debt securities, and equity securities (note 3).

### ***Leasehold Improvements and Equipment***

Leasehold improvements and equipment are stated at cost if purchased or at the estimated fair value at the date of donation if donated. The Federation capitalizes leasehold improvements and equipment with a cost or donated value of \$1,000 or more and an estimated life greater than one year.

For furniture and equipment, depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to ten years. For leasehold improvements, amortization is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the life of the lease, which range from twenty to thirty-one years.

### ***Impairment of Long-Lived Assets***

The Federation periodically reviews the carrying value of its long-lived assets, including leasehold improvements and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. To the extent fair value of a long-lived asset, determined based upon the estimated future cash inflows attributable to the asset, less estimated future cash outflows, are less than the carrying amount, an impairment loss is recognized. No such losses were recognized for the years ended July 31, 2021 and 2020.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### ***Agency Liabilities***

Agency liabilities represent assets held for the benefit of other agencies. See Note 5.

### ***Allocations Payable***

The Federation makes allocations to constituents within the Jewish community. Allocations are recognized as allocations to other organizations in the statements of activities at the time the Federation's Board of Directors approves specific allocations. The meeting to approve allocations is held following the close of the annual campaign and prior to the close of the Federation's fiscal year.

### ***Advances to NCFC***

During fiscal 2021, the Federation advanced \$139,770 to the NCFC for repairs and improvements to its building that was damaged by the 2020 tornado that hit the Federation, and for related property expenses. The advance of \$139,770 to the NCFC was written off as uncollectible as of July 31, 2021 and is recorded in the Statement of Activities.

### ***Functional Allocation of Expenses***

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function.

Certain costs are jointly shared by programs, fundraising, and general and administrative functions and, accordingly, have been allocated among the functions benefited based on management's estimates, primarily based on estimates of time and effort. Management reviews its functional allocation estimates annually, or more often if changes in circumstances indicate changes to the functional expense allocations may be necessary.

### ***Concentrations of Credit Risk***

Concentrations of credit risk consist primarily of cash, pledges, invested assets, and interest in net assets of a foundation. The Federation places its cash with quality financial institutions. At times cash held in banks exceeds insured limits. The Federation has never experienced any loss to date on these financial instruments. Pledges receivable are due from individuals and organizations concentrated in the Dallas/Fort Worth area.

Investments and interest in Marx Fund are invested by the Foundation as part of a pooled, diversified investment portfolio.

### ***Donated Materials and Services***

Many individuals volunteer their time to assist the Federation with specific assistance programs, campaign solicitations and various committee assignments. The Federation receives thousands of volunteer hours per year; however, these services do not meet the requirements of FASB ASC topics, *Not-for-Profit Entities Revenue Recognition* and, therefore, are not included in the financial statements. Donated materials and services meeting the requirements of this ASC topic were not recorded as the amount were not material during fiscal years 2021 or 2020.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### *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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### *Federal Income Taxes*

The Federation is exempt for federal income tax purposes under Internal Revenue Code Section 501(c) (3). Therefore, no tax provision or liability has been reported in the accompanying financial statements.

The Federation follows FASB ASC topic *Accounting for Uncertainty in Income Taxes*. Under this ASC topic, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. This ASC topic had no impact on the financial statements. The Federation does not believe there are any unrecognized tax benefits that should be recorded.

For the years ended July 31, 2021 and 2020, there were no interest or penalties recorded or included in the statements of activities related to taxes. The Federation is not under examination for tax purposes by any jurisdiction. Tax filings for fiscal year 2017 through present are subject to examination.

### *Fair Value of Financial Instruments*

FASB ASC topic *Financial Instruments* requires disclosure of an estimate of fair value of certain financial instruments. The Federation's significant financial instruments are cash and cash equivalents, pledges receivable, investments, notes payable, and other short-term assets and liabilities, which are all stated at cost which approximates fair value in the Federations financial statements. Note 3 provides further details regarding fair value.

### *Risk and Uncertainties*

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, to date it has not had a significant impact on the Federation's financial position, liquidity, or results of operations. It is uncertain as to the full magnitude that the pandemic will have on the Federation's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Federation is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity.



# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### ***Recently Adopted Accounting Pronouncement***

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that supersedes existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606)*, which deferred the effective date for the Organization until annual periods beginning after December 15, 2019. Earlier adoption is permitted, subject to certain limitations. The amendments in this update are required to be applied retrospectively to each prior-reporting period presented or with the cumulative effect being recognized at the date of initial application. The ASU has been adopted using the retrospective approach with cumulative effect of initially adopting the ASU recognized at the date of the adoption. The adoption of the ASU did not have material impact on the consolidated financial statements.

### ***New Accounting Pronouncements - Not Yet Adopted***

In February 2016, the FASB issued new accounting guidance on lease arrangements, which, in an effort to increase transparency and comparability among organizations utilizing leasing, requires an entity that is a lessee to recognize the assets and liabilities arising from operating leases on the balance sheet. This guidance also requires disclosures about the amount, timing and uncertainty of cash flows arising from leases. In transition, the entity is required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. Per *ASU 2020-05, Leases (Topic 842) Effective Dates for Certain Entities*, the effective date of this guidance has been extended for non-public entities for annual periods beginning after December 15, 2021. Early adoption is permitted. The Federation is currently evaluating the impact of the new guidance on its financial statements and will adopt the new guidance when required.

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments-Credit Losses: Measurement of Credit Losses on Financial Instruments” (Topic 326), which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. Topic 326 replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. Topic 326 is effective for non-public entities for annual periods beginning after December 15, 2022. The Federation is currently evaluating the impact of the new guidance on its financial statements and will adopt the new guidance when required.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### 2. Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

<i>July 31,</i>	<b>2021</b>	<b>2020</b>
Cash and cash equivalents	\$ 5,677,619	\$ 5,875,038
Pledge receivable, net	4,431,133	5,410,469
Investments appropriated for current use	6,152,208	4,793,026
Less: Board designated net assets	(1,494,768)	(1,497,297)
Less: With donor restrictions net assets	(2,133,338)	(2,401,712)
Total financial assets available for general expenditures within one year	\$ 12,632,854	\$ 12,179,524

The Federation strives to run a balanced budget where its cash inflows equal its cash outflows on an annual basis. As part of the liquidity management plan, the Federation invest cash in excess of daily requirements in short-term investments, mutual funds, bond funds, and equity securities. For the years ended July 31, 2021 and 2020, there were no significant adverse impact from COVID-19 outbreak on the Federation's liquidity and availability of resources.

### 3. Fair Value Measurements

FASB ASC topic, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under this topic are described as follows:

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

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- 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.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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.

Assets measured at fair value on a recurring basis include investments and interest in net assets of a foundation.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2021 and 2020.

Investments and investments held by the Foundation are carried at fair market value as reported by the Foundation and are classified in level 2 of the fair value hierarchy because all material inputs into the investment pools are observable. Assets measured at fair value on a recurring basis were as following for the years ended July 31, 2021 and 2020:

	Fair Value at July 31, 2021			Total
	Level 1	Level 2	Level 3	
<b>Investments</b>				
Cash and cash equivalents	\$ 8,657	\$ -	\$ -	\$ 8,657
Equity fund	-	3,674,413	-	3,674,413
Bond fund	-	2,103,789	-	2,103,789
Liquid alternative fund	-	365,092	-	365,092
<b>Interest in Marx Fund</b>				
Cash and cash equivalents	-	-	-	-
Equity fund	-	142,386	-	142,386
Bond fund	-	59,182	-	59,182
Liquid alternative fund	-	21,381	-	21,381
Illiquid alternative fund	-	88,374	-	88,374
	\$ 8,657	\$ 6,454,617	\$ -	\$ 6,463,274

	Fair Value at July 31, 2020			Total
	Level 1	Level 2	Level 3	
<b>Investments</b>				
Cash and cash equivalents	\$ 1,249,892	\$ -	\$ -	\$ 1,249,892
Equity fund	-	1,806,054	-	1,806,054
Bond fund	-	887,261	-	887,261
Liquid alternative fund	-	849,819	-	849,819
<b>Interest in Marx Fund</b>				
Equity fund	-	114,009	-	114,009
Bond fund	-	52,801	-	52,801
Liquid alternative fund	-	30,365	-	30,365
Illiquid alternative fund	-	78,141	-	78,141
	\$ 1,249,892	\$ 3,818,450	\$ -	\$ 5,068,342

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Federation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measure at the reporting date.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

Investment income for the years ended July 31 consists of:

	2021	2020
Interest and dividend income	\$ 95,722	\$ 128,654
Realized and unrealized (losses) gains, net	909,326	(46,596)
	\$ 1,005,048	\$ 82,058

#### 4. Leasehold Improvements, Equipment and Furniture, Net

Leasehold improvements, equipment and furniture, net, at July 31 consist of:

	2021	2020
Leasehold improvements	\$ 2,043,413	\$ 1,551,373
Furniture and equipment:		
Computers	327,055	394,541
Telephone system	26,755	26,627
Office furniture and equipment	505,527	260,293
	2,902,750	2,232,834
Less accumulated depreciation and amortizations	(1,506,874)	(1,428,841)
	\$ 1,395,876	\$ 803,993

Depreciation and amortization expense for the years ended July 31, 2021 and 2020 amounted to \$135,479 and \$149,696, respectively.

#### 5. Agency Liabilities and Transfers

Agency liabilities consist of amounts recorded by the Federation from a resource provider which are designated for the benefit of another not-profit-organization or individual, \$95,150 and \$147,650 are reflected as agency liabilities as of July 31, 2021 and 2020, respectively. These amounts are due to national, international, and local agencies supported by the Federation. For the years ended July 31, 2021 and 2020, the total amount of agency transactions paid out by the Federation was \$132,400 and \$135,075 respectively.

#### 6. Joint Cost Allocation

The Federation operates an annual campaign. Costs associated with operating the campaign were allocated approximately between fundraising and program expense in the statements of functional expenses. Similarly, the Federation operates various events throughout the year which have joint program and fundraising functions. For fiscal year 2021, total expense related to joint activities was approximately \$1.7 million of which approximately \$0.8 million was allocated to fundraising. For fiscal year 2020, total expense related to joint activities was approximately \$2.5 million of which approximately \$1.0 million was allocated to fundraising. The amounts not allocated to fundraising were primarily allocated to program functions.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

### 7. Net Assets with Restrictions and Board Designated Net Assets

Net assets with donor restrictions of the Federation were available for the following purposes at July 31:

	2021	2020
Schulz Educators	\$ 87,049	\$ 87,340
Honeymoon Israel	28,000	78,000
Center for Jewish Education Tribute Event	78,800	98,800
Community Security Initiative	-	171,368
Jewish Community Relations Council Community Missions	24,500	24,500
Jewish Community Relations Council Public Education Initiative / BDS Program	43,270	43,271
Winter storm	145,714	-
One table	40,000	65,000
Tycher Library	24,678	28,962
PJ Library	15,539	10,372
COVID-19 emergency campaign	163,887	139,862
JFGD building renovations	250,000	400,000
Restricted Pace gift	1,225,000	1,250,000
Other	6,900	4,236
	\$ 2,133,337	\$ 2,401,711

For the years ended July 31, 2021 and 2020, the Federation released the net assets from restrictions as follows:

	2021	2020
Schulz Educators	\$ 291	\$ 11,704
Honeymoon Israel	50,000	-
Center for Jewish Education Tribute Event	20,000	20,000
Community Security Initiative	171,368	165,547
Jewish Community Relations Council Public Education Initiative / BDS Program	-	15,402
Winter storm	55,139	-
One table	25,000	-
Tycher Library	7,011	13,859
PJ Library	103,555	106,526
COVID-19 emergency campaign	35,000	2,469
JFGD building renovations	250,000	-
Restricted Pace gift	25,000	-
Other	637	19,369
	\$ 743,001	\$ 354,876

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

Board designated net assets of the Federation were available for the following purposes established by the Board of Directors of the Federation as of July 31:

	<b>2021</b>	<b>2020</b>
Center for Jewish Education “What If?” fund	\$ 28,312	\$ 23,622
Israel and Overseas	70,000	70,000
Israel Independence Day	25,000	25,000
Jewish Community Relations Council	12,123	12,123
Jewish Education	12,295	12,725
Rabbinical Association	10,000	10,000
Marx Fund	311,066	275,317
Partnership 2gether	472,580	525,925
Stabilization Fund	542,392	542,585
PJ Library Connector Project	11,000	-
	<b>\$ 1,494,768</b>	<b>\$ 1,497,297</b>

### 8. Retirement Plan

An Internal Revenue Code Section 403(b) retirement plan was implemented on October 1, 1995. This plan authorizes the employees to make pre-tax contributions to the plan. Effective May 20, 2009, the plan was amended to revise the Federation matching contribution to a discretionary contribution. The Federation’s discretionary contributions in 2021 and 2020 were \$64,861 and \$55,373, respectively.

### 9. NCFC Consolidated Financial Information

As further discussed in Note 1, NCFC is a supporting organization of the Federation at July 31, 2021 and 2020. NCFC and the Federation have shared control at the board level. Had the assets, liabilities, and net assets of NCFC and the Federation been consolidated at July 31, 2021 and 2020, the statements of financial position (in summary format) would have been as follows:

		(Unaudited)	
<b>2021</b>	<b>Federation</b>	<b>NCFC</b>	<b>Total</b>
<b>Assets</b>	<b>\$ 18,027,507</b>	<b>\$ 18,753,121</b>	<b>\$ 36,780,628</b>
<b>Liabilities</b>	<b>8,737,446</b>	<b>-</b>	<b>8,737,446</b>
<b>Net Assets</b>	<b>9,290,061</b>	<b>18,753,121</b>	<b>28,043,182</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 18,027,507</b>	<b>\$ 18,753,121</b>	<b>\$ 36,780,628</b>

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

2020	Federation	(Unaudited) NCFC	Total
Assets	\$ 17,207,387	\$ 18,495,837	\$ 35,703,224
Liabilities	9,765,015	-	9,765,015
Net Assets	7,442,372	18,495,837	25,938,209
Total Liabilities and Net Assets	\$ 17,207,387	\$ 18,495,837	\$ 35,703,224

The assets of NCFC at July 31, 2021 and 2020 are primarily land, building, and building improvements.

The Federation leases office space from NCFC under a 50-year lease, at substantially no cost to the Federation. Maintenance and operating costs, including insurance and taxes, of the office space is borne by the Federation. Management estimates the value of this donated rent for 2021 and 2020 to be approximately \$165,000 per year; however, in kind income and expense for this donated facility use is excluded from the Federation's financial statements due to the nature of the relationship between NCFC and the Federation. Similarly, NCFC leases space to the Jewish Community Center of Dallas, Inc. under a 50-year lease commencing April 2004 at substantially no cost. This lease commitment, estimated at \$1,870,000 per year, is not reflected in the NCFC liabilities or net assets above.

### 10. Notes Payable

On October 14, 2020, the Federation entered into a promissory note with a bank for \$500,000, maturing in October 2023, of which first principal prepayment of \$250,000 was made on April 20, 2021 and the remaining balance prepayment included in Note 13. The note due bears interest of 2.05% annually.

The promissory note does not contain financial covenant ratio requirements.

### 11. PPP Loan

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief, and Economic Security (CARES) Act." The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property.

It also appropriated funds for the SBA Paycheck Protection Program ("PPP") loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by COVID-19. The Federation applied for and received \$493,900 of PPP loan on April 28, 2020. Funds from the loan could only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred. The Federation has estimated that the entire amount will be eligible for forgiveness under the terms of the PPP. On February 1, 2021, the loan was recorded as forgiveness of debt in the Statement of Activities for the amount of \$493,900.

# Jewish Federation of Greater Dallas

## Notes to Financial Statements

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### 12. Intentions to Give

The Federation receives indication from donors of their intention to make recommendations to provide funding to the Federation through independent philanthropic funds. The Federation has not recognized these intentions to give in the accompanying financial statements since they are considered conditional pledges. The total of these intentions to give excluded from the financial statements were \$1,506,661 and \$1,566,701 as of July 31, 2021 and 2020, respectively.

### 13. Subsequent Events

On December 16, 2021, the remaining note of \$250,000 and accrued interest was paid.

In the preparation of its financial statements, the Federation considered subsequent events through January 7, 2022, which was the date the Federation's financial statements were available to be issued. There are no other material subsequent events that required recognition or disclosure in these financial statements.