

Jewish Federation of Greater Dallas and Affiliate

Consolidated Financial Statements
July 31, 2025

CONTENTS

Page

Independent Auditor's Report.....	1
Consolidated Financial Statements	
Consolidated Statement of Financial Position – 2025.....	3
Consolidated Statement of Financial Position – 2024.....	4
Consolidated Statement of Activities – 2025.....	5
Consolidated Statement of Activities – 2024.....	6
Consolidated Statement of Functional Expenses – 2025.....	7
Consolidated Statement of Functional Expenses – 2024.....	8
Consolidated Statement of Cash Flows – 2025.....	9
Consolidated Statement of Cash Flows – 2024.....	10
Notes to the Consolidated Financial Statements	11

Independent Auditor's Report

The Board of Directors of
Jewish Federation of Greater Dallas and the Affiliate

Report on the Audits of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Jewish Federation of Greater Dallas and the Affiliate (collectively, the Organization), which comprise the consolidated statements of financial position as of July 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of July 31, 2025 and 2024, 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 Consolidated 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 audit. 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 Consolidated Financial Statements

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

In preparing the consolidated 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 within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, 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 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
July 20, 2026

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Financial Position

July 31, 2025

	Federation	NCFC	Eliminations	Total
ASSETS				
Cash and cash equivalents	\$ 9,065,753	\$ -	\$ -	\$ 9,065,753
Pledges receivable, net	6,044,629	-	(552,532)	5,492,097
Other receivables	7,700	-	-	7,700
Prepaid expenses	106,962	-	-	106,962
Investments	9,607,706	-	-	9,607,706
Interest in Marx Fund	300,404	-	-	300,404
Property and equipment, net	1,080,057	17,634,033	(13,525,910)	5,188,180
TOTAL ASSETS	\$ 26,213,211	\$ 17,634,033	\$ (14,078,442)	\$ 29,768,802
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable and accrued expenses	\$ 942,176	\$ -	\$ -	\$ 942,176
Agency liabilities	93,800	-	-	93,800
Allocations payable	8,235,790	-	-	8,235,790
Pledge payable	-	1,955,032	(552,532)	1,402,500
Deferred revenue	5,800	-	-	5,800
Total liabilities	9,277,566	1,955,032	(552,532)	10,680,066
NET ASSETS				
Net assets				
Without donor restrictions				
Undesignated	9,084,531	15,679,001	(12,973,378)	11,790,154
Board designated	2,360,819	-	-	2,360,819
Total without donor restrictions	11,445,350	15,679,001	(12,973,378)	14,150,973
With donor restrictions	5,490,295	-	(552,532)	4,937,763
Total net assets	16,935,645	15,679,001	(13,525,910)	19,088,736
TOTAL LIABILITIES AND NET ASSETS	\$ 26,213,211	\$ 17,634,033	\$ (14,078,442)	\$ 29,768,802

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Financial Position

July 31, 2024

	Federation	NCFC	Eliminations	Total
ASSETS				
Cash and cash equivalents	\$ 8,499,244	\$ -	\$ -	\$ 8,499,244
Pledges receivable, net	7,852,589	-	(689,935)	7,162,654
Other receivables	39,478	-	-	39,478
Prepaid expenses	100,725	-	-	100,725
Investments	7,387,384	-	-	7,387,384
Interest in Marx Fund	290,823	-	-	290,823
Property and equipment, net	1,137,541	18,022,607	(13,525,910)	5,634,238
TOTAL ASSETS	\$ 25,307,784	\$ 18,022,607	\$ (14,215,845)	\$ 29,114,546
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable and accrued expenses	\$ 602,544	\$ -	\$ -	\$ 602,544
Agency liabilities	85,150	-	-	85,150
Allocations payable	7,061,734	-	-	7,061,734
Pledge payable	-	2,474,935	(689,935)	1,785,000
Deferred revenue	9,058	-	-	9,058
Total liabilities	7,758,486	2,474,935	(689,935)	9,543,486
NET ASSETS				
Net assets				
Without donor restrictions				
Undesignated	10,057,655	15,547,672	(12,835,975)	12,769,352
Board designated	1,985,129	-	-	1,985,129
Total without donor restrictions	12,042,784	15,547,672	(12,835,975)	14,754,481
With donor restrictions	5,506,514	-	(689,935)	4,816,579
Total net assets	17,549,298	15,547,672	(13,525,910)	19,571,060
TOTAL LIABILITIES AND NET ASSETS	\$ 25,307,784	\$ 18,022,607	\$ (14,215,845)	\$ 29,114,546

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Activities

For the Year Ended July 31, 2025

	Federation			NCFC		Eliminations			Total	
	Without Donor Restrictions	With Donor Restrictions	Federation Total	Without Donor Restrictions	NCFC Total	Without Donor Restrictions	With Donor Restrictions	Eliminations Total	Without Donor Restrictions	With Donor Restrictions
REVENUES										
Grants and contributions	\$ 10,511,572	\$ 788,461	\$ 11,300,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,511,572	\$ 788,461
Provisions for losses on uncollectible contributions	(442,374)	-	(442,374)	-	-	-	-	-	(442,374)	-
Special events revenue	315,421	-	315,421	-	-	-	-	-	315,421	-
Employee retention tax credit	164,756	-	164,756	-	-	-	-	-	164,756	-
Investment income	956,315	-	956,315	-	-	-	-	-	956,315	-
Change in the value of assets held by DJCF	(160,841)	-	(160,841)	-	-	-	-	-	(160,841)	-
Change in the value of pledge payable	137,403	-	137,403	519,903	519,903	(137,403)	-	(137,403)	519,903	-
Other income	67,036	-	67,036	6,054	6,054	-	-	-	73,090	-
Net assets released from restrictions	804,680	(804,680)	-	-	-	(137,403)	137,403	-	667,277	(667,277)
Total revenue and support	12,353,968	(16,219)	12,337,749	525,957	525,957	(274,806)	137,403	(137,403)	12,605,119	121,184
EXPENSES AND DISTRIBUTIONS										
Program services										
Allocations to national, international and local agencies	6,082,477	-	6,082,477	-	-	-	-	-	6,082,477	-
Allocations to national, international and local agencies - Emergency	180,000	-	180,000	-	-	-	-	-	180,000	-
Community engagement	2,727,802	-	2,727,802	-	-	-	-	-	2,727,802	-
Jewish Education	441,215	-	441,215	-	-	-	-	-	441,215	-
Mission, Israel and Overseas	49,113	-	49,113	-	-	-	-	-	49,113	-
Community security	492,676	-	492,676	-	-	-	-	-	492,676	-
Jewish Federation of North America	372,119	-	372,119	-	-	-	-	-	372,119	-
Community Relations	274,496	-	274,496	-	-	-	-	-	274,496	-
Planning and allocations	124,917	-	124,917	-	-	-	-	-	124,917	-
Total program services	10,744,815	-	10,744,815	-	-	-	-	-	10,744,815	-
Fundraising	1,028,031	-	1,028,031	-	-	(13,740)	-	(13,740)	1,014,291	-
General and administrative	1,178,556	-	1,178,556	394,628	394,628	(123,663)	-	(123,663)	1,449,521	-
Total expenses and distributions	12,951,402	-	12,951,402	394,628	394,628	(137,403)	-	(137,403)	13,208,627	-
Change in net assets	(597,434)	(16,219)	(613,653)	131,329	131,329	(137,403)	137,403	-	(603,508)	121,184
NET ASSETS, beginning of year	12,042,784	5,506,514	17,549,298	15,547,672	15,547,672	(12,835,975)	(689,935)	(13,525,910)	14,754,481	4,816,579
NET ASSETS, end of year	\$ 11,445,350	\$ 5,490,295	\$ 16,935,645	\$ 15,679,001	\$ 15,679,001	\$ (12,973,378)	\$ (552,532)	\$ (13,525,910)	\$ 14,150,973	\$ 4,937,763

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Activities

For the Year Ended July 31, 2024

	Federation			NCFC		Eliminations			Total	
	Without Donor Restrictions	With Donor Restrictions	Federation Total	Without Donor Restrictions	NCFC Total	Without Donor Restrictions	With Donor Restrictions	Eliminations Total	Without Donor Restrictions	With Donor Restrictions
REVENUES										
Grants and contributions	\$ 12,574,221	\$ 2,199,182	\$ 14,773,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,574,221	\$ 2,199,182
Grants and contributions - emergency	4,462,156	-	4,462,156	-	-	-	-	-	4,462,156	-
Provisions for losses on uncollectible contributions	(270,172)	-	(270,172)	-	-	-	-	-	(270,172)	-
Special events	116,242	-	116,242	-	-	-	-	-	116,242	-
Investment income	914,294	-	914,294	-	-	-	-	-	914,294	-
Change in the value of assets held by DJCF	(83,218)	-	(83,218)	-	-	-	-	-	(83,218)	-
Change in the value of pledge payable	132,118	-	132,118	514,617	514,617	(132,118)	-	(132,118)	514,617	-
Other income	58,341	-	58,341	-	-	-	-	-	58,341	-
Net assets released from restrictions	904,096	(904,096)	-	-	-	(132,118)	132,118	-	771,978	(771,978)
Total revenue and support	18,808,078	1,295,086	20,103,164	514,617	514,617	(264,236)	132,118	(132,118)	19,058,459	1,427,204
EXPENSES AND DISTRIBUTIONS										
Program services										
Allocations to national, international and local agencies	5,578,684	-	5,578,684	-	-	-	-	-	5,578,684	-
Allocations to national, international and local agencies - Emergency	3,755,000	-	3,755,000	-	-	-	-	-	3,755,000	-
Community engagement	2,162,950	-	2,162,950	-	-	-	-	-	2,162,950	-
Jewish Education	508,969	-	508,969	-	-	-	-	-	508,969	-
Mission, Israel and Overseas	206,231	-	206,231	-	-	-	-	-	206,231	-
Community security	332,748	-	332,748	-	-	-	-	-	332,748	-
Shared and other	452,668	-	452,668	-	-	-	-	-	452,668	-
Jewish Federation of North America	367,787	-	367,787	-	-	-	-	-	367,787	-
Community Relations	257,199	-	257,199	-	-	-	-	-	257,199	-
Planning and allocations	106,832	-	106,832	-	-	-	-	-	106,832	-
Total program services	13,729,068	-	13,729,068	-	-	-	-	-	13,729,068	-
Fundraising	1,075,957	-	1,075,957	-	-	-	-	-	1,075,957	-
General and administrative	1,413,341	-	1,413,341	424,325	424,325	(132,118)	-	(132,118)	1,705,548	-
Total expenses and distributions	16,218,366	-	16,218,366	424,325	424,325	(132,118)	-	(132,118)	16,510,573	-
Change in net assets	2,589,712	1,295,086	3,884,798	90,292	90,292	(132,118)	132,118	-	2,547,886	1,427,204
NET ASSETS, beginning of year	<u>9,453,072</u>	<u>4,211,428</u>	<u>13,664,500</u>	<u>15,457,380</u>	<u>15,457,380</u>	<u>(12,703,857)</u>	<u>(822,053)</u>	<u>(13,525,910)</u>	<u>12,206,595</u>	<u>3,389,375</u>
NET ASSETS, end of year	<u>\$ 12,042,784</u>	<u>\$ 5,506,514</u>	<u>\$ 17,549,298</u>	<u>\$ 15,547,672</u>	<u>\$ 15,547,672</u>	<u>\$ (12,835,975)</u>	<u>\$ (689,935)</u>	<u>\$ (13,525,910)</u>	<u>\$ 14,754,481</u>	<u>\$ 4,816,579</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Functional Expenses

For the Year Ended July 31, 2025

Federation											
Allocations to National, International and Local Agencies	Community Engagement	Jewish Education	Missions, Israel and Overseas	Community Security	Jewish Federations of North America	Community Relations	Planning and Allocations	Total Program Services	Fundraising	General and Administrative	Total
Salaries	\$ -	\$ 1,294,291	\$ 194,141	\$ 15,700	\$ 151,823	\$ -	\$ 151,231	\$ 1,879,031	\$ 495,086	\$ 401,217	\$ 2,775,334
Benefits	-	151,528	19,560	880	18,815	-	16,291	218,806	59,766	50,404	328,976
Taxes	-	98,887	16,427	1,261	22,458	-	12,820	157,904	37,556	35,137	230,597
Total payroll expenses	-	1,544,706	230,128	17,841	193,096	-	180,342	2,255,741	592,408	486,758	3,334,907
Allocations	6,082,477	-	-	-	-	-	-	6,082,477	-	-	6,082,477
Allocations - emergency	180,000	-	-	-	-	-	-	180,000	-	-	180,000
Bank fees and credit discount fees	-	62,706	-	-	-	-	-	62,706	25,108	32,328	120,142
Dues and subscriptions	-	14,611	81,993	-	1,976	372,119	3,196	474,136	2,800	1,203	478,139
Equipment and maintenance	-	102,474	18,677	888	18,901	-	15,038	163,943	45,962	52,396	262,301
Insurance	-	30,443	5,809	240	5,697	-	4,002	48,300	11,694	17,973	77,967
Meetings and conferences	-	19,336	1,380	555	27,289	-	7,018	59,270	6,313	8,532	74,115
Missions	-	-	-	13,290	-	-	-	13,290	-	-	13,290
Occupancy	-	32,666	6,074	292	5,129	-	4,915	51,679	26,428	134,877	212,984
Office supplies and materials	-	11,627	1,019	165	6,635	-	791	20,669	4,089	12,320	37,078
Other	-	40,806	60,500	440	4,376	-	905	107,027	12,745	59,687	179,459
Postage and shipping	-	3,960	248	2	35	-	48	4,312	1,551	363	6,226
Printing and related	-	20,917	-	192	-	-	-	21,109	7,258	1,619	29,986
Professional services	-	278,153	2,880	73	197,845	-	22,415	511,175	100,636	274,013	885,824
Rentals, facilities, and decorations for events	-	410,753	12,864	14,192	-	-	16,826	454,635	115,364	4,469	574,468
Software and Licenses	-	55,483	-	-	15,803	-	-	71,286	36,910	57,955	166,151
Travel	-	3,577	-	-	-	-	3,106	6,683	1,217	3,370	11,270
Total expense before depreciation and amortization	6,262,477	2,632,218	421,572	48,170	476,782	372,119	258,602	116,498	10,588,438	990,483	12,726,784
Depreciation and amortization of leasehold improvements, and furniture	-	95,584	19,643	943	15,894	-	15,894	8,419	156,377	30,693	224,618
Federation total	<u>\$ 6,262,477</u>	<u>\$ 2,727,802</u>	<u>\$ 441,215</u>	<u>\$ 49,113</u>	<u>\$ 492,676</u>	<u>\$ 372,119</u>	<u>\$ 274,496</u>	<u>\$ 124,917</u>	<u>\$ 10,744,815</u>	<u>\$ 1,028,031</u>	<u>\$ 12,951,402</u>

NCFC											
Allocations to National, International and Local Agencies	Community Engagement	Jewish Education	Missions, Israel and Overseas	Community Security	Jewish Federations of North America	Community Relations	Planning and Allocations	Total Program Services	Fundraising	General and Administrative	Total
Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394,628	\$ 394,628
NCFC total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 394,628</u>	<u>\$ 394,628</u>

Eliminations											
Allocations to National, International and Local Agencies	Community Engagement	Center for Jewish Education	Missions, Israel and Overseas	Community Security	Jewish Federations of North America	Jewish Community Relations Council	Planning and Allocations	Total Program Services	Fundraising	General and Administrative	Total
Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (13,740)	\$ (123,663)	\$ (137,403)
Eliminations total	-	-	-	-	-	-	-	-	(13,740)	(123,663)	(137,403)
TOTAL	<u>\$ 6,262,477</u>	<u>\$ 2,727,802</u>	<u>\$ 441,215</u>	<u>\$ 49,113</u>	<u>\$ 492,676</u>	<u>\$ 372,119</u>	<u>\$ 274,496</u>	<u>\$ 124,917</u>	<u>\$ 10,744,815</u>	<u>\$ 1,014,291</u>	<u>\$ 13,208,627</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Functional Expenses

For the Year Ended July 31, 2024

	Federation												
	Allocations to National, International and Local Agencies	Community Engagement	Jewish Education	Missions, Israel and Overseas	Community Security	Shared and Other	Jewish Federations of North America	Community Relations	Planning and Allocations	Total Program Services	Fundraising	General and Administrative	Total
Salaries	\$ -	\$ 1,241,708	\$ 218,905	\$ 14,221	\$ 144,230	\$ 28,773	\$ -	\$ 130,225	\$ 59,369	\$ 1,837,431	\$ 498,131	\$ 640,020	\$ 2,975,582
Benefits	-	111,859	22,906	1,567	6,827	2,805	-	15,819	14,769	176,552	46,622	46,804	269,978
Taxes	-	99,018	20,634	1,667	14,964	1,938	-	11,828	6,173	156,222	39,344	42,550	238,116
Total payroll expenses	-	1,452,585	262,445	17,455	166,021	33,516	-	157,872	80,311	2,170,205	584,097	729,374	3,483,676
Allocations	5,578,684	-	-	-	-	-	-	-	-	5,578,684	-	-	5,578,684
Allocations - emergency	3,755,000	-	-	-	-	-	-	-	-	3,755,000	-	-	3,755,000
Bank fees and credit discount fees	-	110,002	-	-	-	-	-	3,708	-	113,710	37,177	6,368	157,255
Dues and subscriptions	-	2,149	76,204	26	1,144	-	367,787	7,399	478	455,187	837	596	456,620
Equipment and maintenance	-	49,465	21,092	621	79,554	3,910	-	2,188	3,942	160,772	22,771	29,483	213,026
Insurance	-	21,962	5,750	163	1,331	395	-	6,615	1,163	37,379	8,853	12,767	58,999
Meetings and conferences	-	26,329	3,824	186	12,293	4,771	-	-	963	48,366	9,547	20,149	78,062
Missions	-	-	17,184	154,044	-	-	-	3,874	-	175,102	45,865	-	220,967
Occupancy	-	25,084	11,021	446	2,527	1,702	-	532	2,066	43,378	10,427	144,913	198,718
Office supplies and materials	-	10,401	1,491	2,066	1,313	254	-	338	244	16,107	5,171	10,475	31,753
Other	-	24,077	40,988	1,453	1,879	3,313	-	4	-	71,714	8,696	-	80,410
Postage and shipping	-	5,591	14	54	-	9,356	-	1,702	-	16,717	3,611	168	20,496
Printing and related	-	13,649	-	-	-	15,388	-	25,603	281	54,921	8,598	1,046	64,565
Professional services	-	291,572	12,137	12,546	34,319	98,903	-	28,979	-	478,456	182,829	394,613	1,055,898
Rentals, facilities, and decorations for events	-	26,178	9,469	13,441	-	272,144	-	-	-	321,232	97,676	1,906	420,814
Software and Licenses	-	18,459	1,275	-	24,367	7,172	-	1,546	-	52,819	14,931	31,764	99,514
Travel	-	3,825	123	3,730	978	1,145	-	-	-	9,801	2,102	3,688	15,591
Total expense before depreciation and amortization	9,333,684	2,081,328	463,017	206,231	325,726	451,969	367,787	240,360	89,448	13,559,550	1,043,188	1,387,310	15,990,048
Depreciation and amortization of leasehold improvements, and furniture	-	81,622	45,952	-	7,022	699	-	16,839	17,384	169,518	32,769	26,031	228,318
Federation total	\$ 9,333,684	\$ 2,162,950	\$ 508,969	\$ 206,231	\$ 332,748	\$ 452,668	\$ 367,787	\$ 257,199	\$ 106,832	\$ 13,729,068	\$ 1,075,957	\$ 1,413,341	\$ 16,218,366
	NCFC												
	Allocations to National, International and Local Agencies	Community Engagement	Jewish Education	Missions, Israel and Overseas	Community Security	Shared and Other	Jewish Federations of North America	Community Relations	Planning and Allocations	Total Program Services	Fundraising	General and Administrative	Total
Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 424,325	\$ 424,325
NCFC total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 424,325	\$ 424,325
	Eliminations												
	Allocations to National, International and Local Agencies	Community Engagement	Center for Jewish Education	Missions, Israel and Overseas	Community Security	Shared and Other	Jewish Federations of North America	Jewish Community Relations Council	Planning and Allocations	Total Program Services	Fundraising	General and Administrative	Total
Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (132,118)	\$ (132,118)
Eliminations total	-	-	-	-	-	-	-	-	-	-	-	(132,118)	(132,118)
TOTAL	\$ 9,333,684	\$ 2,162,950	\$ 508,969	\$ 206,231	\$ 332,748	\$ 452,668	\$ 367,787	\$ 257,199	\$ 106,832	\$ 13,729,068	\$ 1,075,957	\$ 1,705,548	\$ 16,510,573

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Cash Flows

For the Year Ended July 31, 2025

	<u>Federation</u>	<u>NCFC</u>	<u>Elimination</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	\$ (613,653)	\$ 131,329	\$ -	\$ (482,324)
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	224,618	394,628	-	619,246
Amortization of pledge payable	-	(519,903)	137,403	(382,500)
Provision for losses on uncollectible contributions receivable	442,374	-	-	442,374
Realized and unrealized gains in investments, net	(956,315)	-	-	(956,315)
Change in operating assets and liabilities				
Pledges receivable	1,365,586	-	(137,403)	1,228,183
Other receivables	31,778	-	-	31,778
Prepaid expenses	(6,237)	-	-	(6,237)
Accounts payable and accrued expenses	339,632	-	-	339,632
Agency liabilities	8,650	-	-	8,650
Allocations payable	1,174,056	-	-	1,174,056
Deferred revenue	(3,258)	-	-	(3,258)
Net cash provided by operating activities	2,007,231	6,054	-	2,013,285
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	(1,424,848)	-	-	(1,424,848)
Proceeds from sale of investments	160,841	-	-	160,841
Change in interest in Marx Fund	(9,581)	-	-	(9,581)
Purchases of fixed assets	(167,134)	(6,054)	-	(173,188)
Net cash used in investing activities	(1,440,722)	(6,054)	-	(1,446,776)
Net change in cash and cash equivalents	566,509	-	-	566,509
CASH AND CASH EQUIVALENTS, beginning of year	8,499,244	-	-	8,499,244
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 9,065,753</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,065,753</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Consolidated Statement of Cash Flows

For the Year Ended July 31, 2024

	<u>Federation</u>	<u>NCFC</u>	<u>Elimination</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	\$ 3,884,798	\$ 90,292	\$ -	\$ 3,975,090
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	228,318	424,325	-	652,643
Amortization of pledge payable	-	(514,617)	132,118	(382,499)
Provision for losses on uncollectible contributions receivable	270,172	-	-	270,172
Realized and unrealized losses in investments, net	(914,294)	-	-	(914,294)
Change in operating assets and liabilities				
Pledges receivable	(1,244,367)	-	(132,118)	(1,376,485)
Grant receivables	102,460	-	-	102,460
Other receivables	(9,074)	-	-	(9,074)
Prepaid expenses	(56,732)	-	-	(56,732)
Accounts payable and accrued expenses	(379,637)	-	-	(379,637)
Agency liabilities	(50,700)	-	-	(50,700)
Allocations payable	448,677	-	-	448,677
Deferred revenue	(203,700)	-	-	(203,700)
Net cash provided by operating activities	2,075,921	-	-	2,075,921
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	151,124	-	-	151,124
Proceeds from sale of investments	128,444	-	-	128,444
Change in interest in Marx Fund	(9,192)	-	-	(9,192)
Purchases of fixed assets	(89,195)	-	-	(89,195)
Net cash provided by investing activities	181,181	-	-	181,181
Net change in cash and cash equivalents	2,257,102	-	-	2,257,102
CASH AND CASH EQUIVALENTS, beginning of year	6,242,142	-	-	6,242,142
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 8,499,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,499,244</u>

The Notes to the Consolidated Financial Statements are an integral part of this statement.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Note 1. Nature of Operations and Significant Accounting Policies

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 greater Dallas Metropolitan area. The Federation is qualified as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

Basis of Presentation

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 bylaws, 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. The Federation and a separate entity donated buildings, improvements and land to NCFC. The buildings were leased to the Federation and a separate entity.

The Federation and NCFC (collectively, the Organization) 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. Therefore, the operations of NCFC are consolidated into the financial statements.

Programs

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.
- **Jewish Education:** Jewish Education (JE) 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. JE works with other Federation departments particularly in areas involving educational planning.
- **Mission, Israel and Overseas:** The Mission, 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. Missions 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.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

- **Community Security:** Expenses related to providing security to the campus of the Federation and various other community initiatives.
- **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 consolidated financial statements. The Organization reassessed functional categories of expenses in the year ended July 31, 2025, and this category was moved to be included with Community Engagement during the year ended July 31, 2025.
- **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.
- **Community Relations:** Community Relations 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, 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.

Net Assets

The accompanying consolidated 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 Organization 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 Restrictions – Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization 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 Organization.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

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 net assets 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 and missions in the period the performance obligation is met. Any payments received prior to the event taking place are deferred as a liability on the consolidated statement of financial position. As of July 31, 2025 and 2024, \$5,800 and \$9,058, respectively, is recorded as deferred revenue related to special events.

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (ASC 606), the Federation recognizes mission revenues when the performance obligations are satisfied. Deferred revenue related to missions as of July 31, 2023 recognized in years ended July 31, 2024 was \$212,608. There were no contract liabilities or assets related to mission revenue as of July 31, 2025 and 2024.

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.

Cash and Cash Equivalents

For purposes of cash flows, the Organization 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.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

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. As of July 31, 2024, \$250,000 was due to be received in more than one year.

At July 31, 2025 and 2024, 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 \$239,602 and \$494,039, respectively. Amounts written off in 2025 and 2024 were \$442,374 and \$270,172, 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 consolidated 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).

Property and Equipment

Buildings, land, leasehold improvements and equipment are stated at cost if purchased or at the estimated fair value at the date of donation if donated. The Organization capitalizes land, buildings and building improvements, leasehold improvements and equipment with a cost or donated value of \$5,000 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 buildings, building improvements and 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 Organization 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, 2025 and 2024.

Agency Liabilities

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

Allocations

The Federation makes allocations to constituent agencies within the Jewish community, which are recognized as allocations to other organizations in the consolidated statements of activities at the time the Federation's Board of Directors approves them. 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.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Pledge Payable

Pledge payable relates to a long-term agreement to charge below market rent to another not-for-profit entity. The pledge payable is carried at the fair value of the property contributed by the not-for-profit to NCFC at the date of donation, which was subsequently leased at below market rent to the not-for-profit by NCFC, amortized over the lease period of 25 years.

Deferred Revenue

Deferred revenue consists of amounts received prior to year-end that were not earned, primarily related to missions and special events scheduled in the subsequent year.

Functional Allocation of Expenses

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

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 consolidated financial statements.

Use of Estimates

The preparation of consolidated 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 and NCFC are 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 consolidated financial statements.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

The Organization 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 consolidated financial statements. The Organization does not believe there are any unrecognized tax benefits that should be recorded.

For the years ended July 31, 2025 and 2024, there were no interest or penalties recorded or included in the consolidated statements of activities related to taxes. The Federation and NCFC are not under examination for tax purposes by any jurisdiction.

Fair Value of Financial Instruments

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

Reclassifications

Certain reclassifications have been made to the 2024 consolidated financial statements to conform to the 2025 consolidated financial statement presentation. Such reclassifications had no effect on net assets or changes in net assets.

Subsequent Events

In the preparation of its consolidated financial statements, the Organization considered subsequent events through July 20, 2026, which was the date the Organization's consolidated financial statements were available to be issued.

Note 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 consolidated statement of financial position date, comprise the following as of July 31, 2025 and 2024:

	2025	2024
Cash and cash equivalents	\$ 9,065,753	\$ 8,499,244
Pledges receivable, net	5,492,097	7,162,654
Other receivables	7,700	39,478
Investments appropriated for current use	9,607,706	7,387,384
Less Board designated net assets	(2,360,819)	(1,985,129)
Less with donor restrictions net assets	(4,937,763)	(4,816,579)
 Total financial assets available for general expenditures within one year	 <u>\$ 16,874,674</u>	 <u>\$ 16,287,052</u>

The Organization 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 Organization invests cash in excess of daily requirements in short-term investments, mutual funds, bond funds, and equity securities.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Note 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 Organization 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.

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 the Marx Fund. Liabilities measured at fair value on a non-recurring basis include pledges payable.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value as of July 31, 2025 and 2024. There have been no changes in the methodologies during years ended July 31, 2025 and 2024.

Investments and interest in Marx Fund, absent of cash and cash equivalents, equities and fixed income funds, are carried at fair value as reported by the Foundation and are classified in Level 2 in the fair value hierarchy because all material inputs into the investment pools are observable. Cash and cash equivalents and equity securities included in investments are valued at Level 1 in the fair value hierarchy based on nature of assets. Fixed income obligations are valued at Level 2 in the fair value hierarchy because all material inputs into the investment pools are observable.

Pledge payable is carried at the fair value of contributed property at date of donation, amortized over the lease period, which is considered to be classified in Level 3 of the fair value hierarchy because all material inputs are unobservable and significant. The valuation of the contributed property was based on the square footage of the property at the date of donation, rent rates, and other factors.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

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 Organization 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.

Assets measured at fair value on a recurring basis were as of July 31, 2025 and 2024:

Fair Value at July 31, 2025				
	Level 1	Level 2	Level 3	Total
Investments				
Cash and cash equivalents	\$ 1,457,297	\$ -	\$ -	\$ 1,457,297
Equities	610,552	-	-	610,552
Fixed income	-	497,060	-	497,060
Equity fund	-	4,929,309	-	4,929,309
Bond fund	-	2,113,488	-	2,113,488
Interest in Marx Fund				
Equity fund	-	150,200	-	150,200
Bond fund	-	59,702	-	59,702
Liquid alternative fund	-	15,001	-	15,001
Illiquid alternative fund	-	75,501	-	75,501
	<u>\$ 2,067,849</u>	<u>\$ 7,840,261</u>	<u>\$ -</u>	<u>\$ 9,908,110</u>
Fair Value at July 31, 2024				
	Level 1	Level 2	Level 3	Total
Investments				
Cash and cash equivalents	\$ 463,213	\$ -	\$ -	\$ 463,213
Equities	552,072	-	-	552,072
Fixed income	-	295,545	-	295,545
Equity fund	-	3,657,103	-	3,657,103
Bond fund	-	2,357,336	-	2,357,336
Liquid alternative fund	-	62,115	-	62,115
Interest in Marx Fund				
Equity fund	-	139,595	-	139,595
Bond fund	-	63,981	-	63,981
Liquid alternative fund	-	14,541	-	14,541
Illiquid alternative fund	-	72,706	-	72,706
	<u>\$ 1,015,285</u>	<u>\$ 6,662,922</u>	<u>\$ -</u>	<u>\$ 7,678,207</u>

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Activity in the pledge payable valued at Level 3 in the fair value hierarchy is as follows for years ended July 31, 2025 and 2024:

	2025	2024
Beginning balance	\$ 1,785,000	\$ 2,167,500
Amortization	(382,500)	(382,500)
Ending balance	<u>\$ 1,402,500</u>	<u>\$ 1,785,000</u>

Note 4. Property and Equipment, Net

Property and equipment, net, at July 31, 2025 and 2024 consist of:

	2025	2024
<u>NCFC</u>		
Land	\$ 230,452	\$ 230,452
Building and improvements	<u>12,233,455</u>	<u>12,233,455</u>
	12,463,907	12,463,907
Less accumulated depreciation and amortization	<u>(8,355,784)</u>	<u>(7,967,210)</u>
Total property and equipment, net - NCFC	4,108,123	4,496,697
<u>Federation</u>		
Leasehold improvements	2,531,277	2,405,970
Furniture and fixtures	449,099	407,272
Equipment and other assets	<u>447,556</u>	<u>447,556</u>
	3,427,932	3,260,798
Less accumulated depreciation and amortization	<u>(2,347,875)</u>	<u>(2,123,257)</u>
Total property and equipment, net - Federation	<u>1,080,057</u>	<u>1,137,541</u>
Total property and equipment, net	<u>\$ 5,188,180</u>	<u>\$ 5,634,238</u>

Depreciation and amortization expense for the years ended July 31, 2025 and 2024 amounted to \$619,246 and \$652,643, respectively.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Note 5. Agency Liabilities and Transfers

Agency liabilities of \$93,800 and \$85,150 as of July 31, 2025 and 2024, respectively, consist of amounts recorded by the Federation from a resource provider that are designated for the benefit of another not-for-profit-organization or individual. These amounts are due to national, international, and local agencies supported by the Federation.

Note 6. Joint Cost Allocation

The Federation operates an annual campaign and various events throughout the year, and the costs associated with operating the campaign and events were allocated between fundraising and program expense in the consolidated statements of functional expenses. For fiscal years 2025 and 2024, total expense related to joint activities was approximately \$1.5 million, of which approximately \$0.5 million was allocated to fundraising, with the remaining costs primarily allocated to program functions.

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

All net assets of NCFC are without donor restrictions as of July 31, 2025 and 2024. There were no releases of net assets with donor restrictions related to NCFC for the years ended July 31, 2025 and 2024.

Net assets with donor restrictions of the Federation are made up of the following as of July 31, 2025: net assets with donor restrictions – time and purpose of \$2,073,584 and net assets with donor restrictions – held in perpetuity of \$2,864,179. Net assets with donor restrictions are made up of the following as of July 31, 2024: net assets with donor restrictions – time and purpose of \$2,522,100 and net assets with donor restrictions – held in perpetuity of \$2,294,479.

Net assets with donor restrictions – time and purpose of the Federation were available for the following purposes at July 31, 2025 and 2024:

	2025	2024
Community Security Initiative	\$ 206,792	\$ 370,000
Stanley Fund	391,686	379,717
Community Relations - Public Education Initiative/BDS Program	-	40,000
PJ Library	81,157	81,889
Emergency Campaign	53,225	53,225
Ukraine Emergency Campaign	123,625	123,625
Restricted PACE Gift	1,117,000	1,117,000
Israel Team Tour	76,829	76,854
Time	-	250,000
Other	23,270	29,790
	<u>\$ 2,073,584</u>	<u>\$ 2,522,100</u>

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

For the years ended July 31, 2025 and 2024, the Federation released the net assets from restrictions as follows:

	2025	2024
Jewish Education	\$ -	\$ 262,397
Community Relations - Public Education Initiative/BDS Program	40,000	54,704
Winter Storm & COVID-19	-	88,846
One Table		40,000
Community Mission	-	24,500
Time	250,000	250,000
Other	1,277	51,531
Security	376,000	-
	<u>\$ 667,277</u>	<u>\$ 771,978</u>

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, 2025 and 2024:

	2025	2024
Allocations - Scholarships, Security and Admin	\$ 420,000	\$ -
Jewish Education "What If?" fund	33,071	30,163
Israel and Overseas	171,244	85,000
Israel Independence Day	-	25,000
Jewish Education	70,826	80,045
Marx Fund	300,404	290,823
Partnership 2gether	263,273	263,272
Stabilization Fund	609,906	591,267
PJ Library Connector Project	35,314	35,314
Department of Community Security	213,878	167,363
Combating Antisemitism on Campuses	-	150,000
Yom HaZikaron-Israel Memorial Day Ceremony	25,000	7,500
Oct 7th Remembrance Day Ceremony	32,690	25,000
Protecting Our Community	69,981	100,000
Community Assessment & SPP (Seniors Coalition)	-	9,500
One Happy Camper (PMYC)	73,425	94,500
Teen Israel Scholarship Fund	32,132	21,132
Indigent Burial Program	9,675	9,250
	<u>\$ 2,360,819</u>	<u>\$ 1,985,129</u>

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Note 8. Uniform Prudent Management of Institutional Funds Act

Net assets with donor restrictions held in perpetuity were \$2,864,179 and \$2,294,479 as of July 31, 2025 and 2024. The Federation's endowment funds consist of cash and cash equivalents, equities and fixed income obligations. These funds consist of contributions made to establish an endowment, the earnings from which are to be used to support different restricted purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based upon the existence or absence of donor-imposed restrictions.

The investment policy is issued by the Board of the Federation. It articulates the principles by which the Federation governs the management of its investment assets. The Board is responsible for adopting investment objectives and policies, hiring and evaluating investment managers, establishing a controlled environment, and monitoring policy implementation and investment performance. The Board exercises its responsibility according to applicable fiduciary standards and in the exclusive interest of the Federation.

A reconciliation of the endowment funds' beginning and ending balances for the years ended July 31, 2025 and 2024 is as follows. There was no cumulative effect of any amounts by which net assets with donor restrictions – held in perpetuity have been reduced, or increased that were not specified by the donor, or in the absence of a donor stipulation, approved by the Board:

	Net Assets without Donor Restrictions	Endowment Net Assets with Donor Restrictions Held in Perpetuity	Total Endowment Net Assets
Endowment net assets, August 1, 2023	\$ 6,918	\$ 973,878	\$ 980,796
Interest and dividends	45,054	-	45,054
Net appreciation (realized and unrealized)	59,313	-	59,313
	111,285	973,878	1,085,163
Contributions	-	1,320,601	1,320,601
Appropriation of endowment assets for expenditure	(10,269)	-	(10,269)
Endowment net assets, July 31, 2024	\$ 101,016	\$ 2,294,479	\$ 2,395,495

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions Held in Perpetuity	Total Endowment Net Assets
Endowment net assets, August 1, 2024	\$ 101,016	\$ 2,294,479	\$ 2,395,495
Interest and dividends	20,803	-	20,803
Net appreciation (realized and unrealized)	86,196	-	86,196
	208,015	2,294,479	2,502,494
Contributions	-	569,700	569,700
Appropriation of endowment assets for expenditure	(8,902)	-	(8,902)
Endowment net assets, July 31, 2025	<u>\$ 199,113</u>	<u>\$ 2,864,179</u>	<u>\$ 3,063,292</u>

Investment Objectives

The Federation assets are to be invested in a balanced portfolio composed of equity, fixed-income and cash equivalent securities. As such, it is intended to be more aggressive than fixed-income-oriented portfolios and less aggressive than equity-only-oriented portfolios. In this context, "aggressive" relates to such issues as expected long-term rates of return and return volatility, investment vehicles, diversification among economic and industry sectors and individual securities. Within this framework, the principal investment objectives are stated below. These objectives recognize the nature of the Federation, its purpose and its beneficiaries. The basic investment objective is long-term growth of capital and preservation of capital. In pursuing the investment objective, the Federation endeavors, over time, to outperform the investment return objectives.

Investment Philosophy

The primary investment objective of the Federation is long-term growth of capital. It is recognized that short-term fluctuations in the capital markets may result in the loss of capital on occasion (i.e., negative rates of return). However, the total asset value of the Federation, exclusive of contributions or withdrawals, should grow in the long-run. It should earn, through a combination of investment income and capital appreciation, a rate of return in excess of a balanced market index while incurring less risk than such index. The long-term growth of capital should also be greater than the spending policy.

The Board intends to maximize the portfolio's total return comprising income and net realized and unrealized gains and losses. This objective is to be accomplished by assuming a prudent level of risk in the investment of the Federation assets.

During the year ended July 31, 2025, the Federation established a committee to oversee overall investment management and assess investment performance, and utilizes the Foundation and financial institutions for holding and investment of endowment dollars.

Jewish Federation of Greater Dallas and the Affiliate

Notes to the Consolidated Financial Statements

Underwater Endowments

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the Federation to retain as a fund of perpetual duration. No deficiencies of this nature exist as of July 31, 2025 and 2024.

Note 9. 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 for the years ended July 31, 2025 and 2024 were \$44,767 and \$53,182, respectively.

Note 10. Lease Income

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 years ended July 31, 2025 and 2024 to be approximately \$165,000 per year; however, in-kind income and expense for this donated facility use is excluded from the Organization's consolidated financial statements due to the nature of the relationship between NCFC and the Federation and the consolidation.

Similarly, NCFC leases space to the Jewish Community Center of Dallas, Inc. under a 50-year lease that commenced April 2004 at substantially no cost. This lease commitment is reflected in lease income in the consolidated statement of activities. A pledge payable of \$1,402,500 and \$1,785,000 is recorded on the consolidated statements of financial position as of July 31, 2025 and 2024, respectively, and is being amortized annually over the remaining lease period.

Note 11. 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 consolidated financial statements were \$1,265,738 and \$207,620 as of July 31, 2025 and 2024, respectively.

Note 12. Employee Retention Tax Credit

The Federation is eligible for the Employee Retention Credit ("ERC") under the CARES Act. Employee retention tax credit revenue during year ended July 31, 2025 was \$164,756, which represented refunds on the 2020 Form 941-X Employer Quarterly Federal Tax Return for quarter ended September 30, 2020.