

JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2024 AND 2023



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**JEWISH FAMILY SERVICE OF SAN DIEGO
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Jewish Family Service of San Diego
San Diego, California

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jewish Family Service of San Diego (a California nonprofit corporation), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jewish Family Service of San Diego as of June 30, 2024 and 2023, 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Jewish Family Service of San Diego and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 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 Jewish Family Service of San Diego's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 Jewish Family Service of San Diego'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 Jewish Family Service of San Diego'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating schedules of financial position, consolidating schedules of activities and Schedule of Award Expenditures of the Conference on Jewish Material Claims Against Germany, Inc. are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the consolidating schedules of financial position, consolidating schedules of activities and Schedule of Award Expenditures of the Conference on Jewish Material Claims Against Germany, Inc. are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024 on our consideration of Jewish Family Service of San Diego's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jewish Family Service of San Diego's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jewish Family Service of San Diego's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Pasadena, California
December 30, 2024

JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Cash	\$ 32,897,045	\$ 35,749,490
Accounts Receivable	1,246,577	747,934
Contract Asset Vehicle Sales Receivables, Net	5,578,906	2,786,331
Grants and Contracts Receivable	6,743,922	7,653,097
Unconditional Promises to Give, Net	8,044,089	8,739,124
Investments	29,966,702	25,983,515
Investment in KLA Holdings, LLC	86,962	79,070
Prepaid Expenses and Other Assets	3,559,779	7,369,353
Intangible Assets	1,503,496	1,703,287
Related Party Receivables	10,615	20,499
Right-of-Use Asset - Operating	5,421,604	5,534,399
Land, Buildings, and Equipment, Net	17,663,821	16,892,305
Beneficial Interests in Endowment Funds	9,866,657	9,376,770
	\$ 122,590,175	\$ 122,635,174
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 3,729,518	\$ 2,698,660
Line of Credit	500,000	-
Accrued Expenses	10,206,338	9,023,802
Refundable Grant Advances	16,401,190	24,315,620
Lease Liability - Operating	5,589,670	5,619,968
Lease Liability - Financing	-	16,918
Notes Payable	834,224	861,641
Deferred Compensation	504,360	455,472
Total Liabilities	37,765,300	42,992,081
NET ASSETS		
Without Donor Restrictions:		
Operating	54,028,387	53,979,035
Board-Designated	10,344,174	9,143,469
Total Without Donor Restrictions	64,372,561	63,122,504
With Donor Restrictions	20,452,314	16,520,589
Total Net Assets	84,824,875	79,643,093
Total Liabilities and Net Assets	\$ 122,590,175	\$ 122,635,174

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Charitable Vehicle Sales and Fees	\$ 30,035,354	\$ -	\$ 30,035,354
Government Contracts	81,284,881	-	81,284,881
Grants and Contributions	8,720,408	10,138,551	18,858,959
Investment Return	3,019,428	1,751,363	4,770,791
Program Revenue	9,316,893	-	9,316,893
Fees and Other Revenue	1,543,986	-	1,543,986
Net Assets Released from Restrictions	7,958,189	(7,958,189)	-
Total Support and Revenue	141,879,139	3,931,725	145,810,864
EXPENSES			
Program Services:			
Welcome The Stranger	54,840,723	-	54,840,723
Basic Needs and Stability	47,573,054	-	47,573,054
Vehicle Donation	22,274,538	-	22,274,538
Total Program Services	124,688,315	-	124,688,315
Supporting Services:			
General and Administrative	8,424,870	-	8,424,870
Fundraising	7,515,897	-	7,515,897
Total Supporting Services	15,940,767	-	15,940,767
Total Expenses	140,629,082	-	140,629,082
CHANGE IN NET ASSETS	1,250,057	3,931,725	5,181,782
Net Assets - Beginning of Year	63,122,504	16,520,589	79,643,093
NET ASSETS - END OF YEAR	\$ 64,372,561	\$ 20,452,314	\$ 84,824,875

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Charitable Vehicle Sales and Fees	\$ 27,774,793	\$ -	\$ 27,774,793
Government Contracts	47,933,339	-	47,933,339
Grants and Contributions	13,573,018	3,249,083	16,822,101
Investment Return	2,805,750	480,342	3,286,092
Program Revenue	7,645,078	-	7,645,078
Fees and Other Revenue	344,633	-	344,633
Net Assets Released from Restrictions	4,733,489	(4,733,489)	-
Total Support and Revenue	104,810,100	(1,004,064)	103,806,036
EXPENSES			
Program Services:			
Welcome The Stranger	35,041,493	-	35,041,493
Basic Needs and Stability	32,618,986	-	32,618,986
Vehicle Donation	18,619,004	-	18,619,004
Total Program Services	86,279,483	-	86,279,483
Supporting Services:			
General and Administrative	8,492,818	-	8,492,818
Fundraising	7,289,403	-	7,289,403
Total Supporting Services	15,782,221	-	15,782,221
Total Expenses	102,061,704	-	102,061,704
CHANGE IN NET ASSETS	2,748,396	(1,004,064)	1,744,332
Net Assets - Beginning of Year	60,374,108	17,524,653	77,898,761
NET ASSETS - END OF YEAR	\$ 63,122,504	\$ 16,520,589	\$ 79,643,093

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024**

	Program Services			Supporting Services		Total Expenses	
	Welcome The Stranger	Basic Needs and Stability	Vehicle Donation	Total Program	General and Administrative		Fundraising
SALARIES AND RELATED EXPENSES							
Salaries and Wages	\$ 10,738,752	\$ 14,383,977	\$ 7,381,664	\$ 32,504,393	\$ 4,539,585	\$ 4,116,241	\$ 41,160,219
Payroll Taxes	1,949,960	2,605,287	1,427,262	5,982,509	970,483	626,236	7,579,228
Employee Benefits	774,277	1,085,224	325,004	2,184,505	441,101	311,908	2,937,514
Total Salaries and Related Expenses	<u>13,462,989</u>	<u>18,074,488</u>	<u>9,133,930</u>	<u>40,671,407</u>	<u>5,951,169</u>	<u>5,054,385</u>	<u>51,676,961</u>
NONSALARY RELATED EXPENSES							
Advertising and Promotion	2,142	26,717	672,647	701,506	15,597	95,656	812,759
Bad Debts	-	-	-	-	-	25,273	25,273
Bank Fees and Payroll Processing	44,352	6,884	240,251	291,487	277,820	48,815	618,122
Contributions	15,541	127,394	-	142,935	5,500	200	148,635
Depreciation and Amortization	181,260	531,086	470,296	1,182,642	191,910	329,611	1,704,163
Emergency Assistance	16,023,486	1,723,692	-	17,747,178	-	-	17,747,178
Equipment Rental and Expense	287,926	127,881	33,551	449,358	28,229	15,649	493,236
Fundraising	-	-	-	-	-	13,300	13,300
Holocaust Home Care	-	6,515,037	-	6,515,037	-	-	6,515,037
Insurance	118,412	270,575	119,165	508,152	329,758	98,047	935,957
Interest Expense	-	-	10,604	10,604	-	-	10,604
Legal, Accounting and Audit	1,693	27,133	109,646	138,472	292,036	-	430,508
Memberships/Subscriptions	155,435	302,986	23,794	482,215	211,471	64,404	758,090
Miscellaneous	84,687	58,460	79,322	222,469	33,823	17,172	273,464
Office and Computer Supplies	342,217	169,222	506,932	1,018,371	168,392	325,332	1,512,095
Postage	17,071	31,582	44,639	93,292	8,077	29,855	131,224
Printing	14,050	87,389	11,922	113,361	5,229	101,058	219,648
Professional Fees	174,056	1,575,567	2,348,189	4,097,812	329,313	910,401	5,337,526
Program Expenses	1,945,684	10,991,538	5,058,662	17,995,884	856	4,831	18,001,571
Property and Other Taxes	24	986	498,426	499,436	7,084	5,377	511,897
Rent	9,290,741	2,429,489	927,890	12,648,120	38,567	56,237	12,742,924
Repairs and Maintenance	382,861	604,300	109,822	1,096,983	59,621	27,151	1,183,755
Staff Development	44,203	136,216	151,871	332,290	237,751	53,269	623,310
Subcontractor Fees	11,660,611	2,371,550	1,032,378	15,064,539	83,915	79	15,148,533
Telephone	192,998	279,779	335,969	808,746	50,333	38,016	897,095
Transportation Service	145,283	367,849	-	513,132	2,894	3,600	519,626
Travel and Entertainment	128,072	263,361	171,499	562,932	64,807	173,252	800,991
Utilities	124,929	471,893	183,133	779,955	30,718	24,927	835,600
Total Nonsalary Related Expenses	<u>41,377,734</u>	<u>29,498,566</u>	<u>13,140,608</u>	<u>84,016,908</u>	<u>2,473,701</u>	<u>2,461,512</u>	<u>88,952,121</u>
Total Expenses by Function	<u>\$ 54,840,723</u>	<u>\$ 47,573,054</u>	<u>\$ 22,274,538</u>	<u>\$ 124,688,315</u>	<u>\$ 8,424,870</u>	<u>\$ 7,515,897</u>	<u>\$ 140,629,082</u>

See accompanying Notes to Consolidated Financial Statements.

JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Program Services			Supporting Services		Total Expenses	
	Welcome The Stranger	Basic Needs and Stability	Vehicle Donation	Total Program	General and Administrative		Fundraising
SALARIES AND RELATED EXPENSES							
Salaries and Wages	\$ 9,107,839	\$ 12,426,587	\$ 6,018,820	\$ 27,553,246	\$ 4,182,487	\$ 3,847,674	\$ 35,583,407
Payroll Taxes	1,448,719	2,037,995	1,097,250	4,583,964	833,315	591,675	6,008,954
Employee Benefits	672,249	939,353	465,619	2,077,221	390,829	273,901	2,741,951
Total Salaries and Related Expenses	<u>11,228,807</u>	<u>15,403,935</u>	<u>7,581,689</u>	<u>34,214,431</u>	<u>5,406,631</u>	<u>4,713,250</u>	<u>44,334,312</u>
NONSALARY RELATED EXPENSES							
Advertising and Promotion	1,640	26,651	566,452	594,743	17,341	118,677	730,761
Bad Debts	-	500	-	500	-	-	500
Bank Fees and Payroll Processing	78,898	6,394	162,664	247,956	221,460	45,170	514,586
Contributions	12,500	198,810	-	211,310	-	4,150	215,460
Depreciation and Amortization	155,059	562,954	385,855	1,103,868	188,795	318,379	1,611,042
Emergency Assistance	10,109,826	785,541	-	10,895,367	-	-	10,895,367
Equipment Rental and Expense	110,926	70,739	38,886	220,551	14,781	11,399	246,731
Fundraising	-	-	-	-	-	12,453	12,453
Holocaust Home Care	57	5,767,728	-	5,767,785	292	-	5,768,077
Insurance	103,096	223,736	92,709	419,541	296,268	129,796	845,605
Interest Expense	-	1,733	14,004	15,737	130	-	15,867
Legal, Accounting, and Audit	1	6,398	307,125	313,524	305,631	5,826	624,981
Memberships/Subscriptions	66,352	137,810	20,586	224,748	108,192	45,699	378,639
Miscellaneous	73,356	50,331	202,128	325,815	40,621	19,989	386,425
Office and Computer Supplies	258,100	705,043	444,909	1,408,052	565,827	306,784	2,280,663
Postage	12,074	23,106	37,293	72,473	9,434	26,278	108,185
Printing	4,428	47,465	9,611	61,504	2,481	95,843	159,828
Professional Fees	155,340	1,224,045	751,812	2,131,197	675,296	1,036,851	3,843,344
Program Expenses	1,792,020	2,325,420	4,912,399	9,029,839	941	7,656	9,038,436
Property and Other Taxes	-	1,388	326,905	328,293	2,830	3,067	334,190
Rent	165,898	1,693,999	891,876	2,751,773	51,616	48,576	2,851,965
Repairs and Maintenance	86,094	409,019	119,801	614,914	61,562	30,288	706,764
Staff Development	58,512	110,720	52,664	221,896	271,354	28,859	522,109
Subcontractor Fees	10,106,119	1,438,622	1,094,773	12,639,514	2,601	7,437	12,649,552
Telephone	171,519	339,147	293,251	803,917	165,820	96,483	1,066,220
Transportation Service	96,823	389,975	-	486,798	3,962	3,444	494,204
Travel and Entertainment	72,832	289,583	161,073	523,488	60,026	149,261	732,775
Utilities	121,216	378,194	150,539	649,949	18,926	23,788	692,663
Total Nonsalary Related Expenses	<u>23,812,686</u>	<u>17,215,051</u>	<u>11,037,315</u>	<u>52,065,052</u>	<u>3,086,187</u>	<u>2,576,153</u>	<u>57,727,392</u>
Total Functional Expenses	<u>\$ 35,041,493</u>	<u>\$ 32,618,986</u>	<u>\$ 18,619,004</u>	<u>\$ 86,279,483</u>	<u>\$ 8,492,818</u>	<u>\$ 7,289,403</u>	<u>\$ 102,061,704</u>

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 5,181,782	\$ 1,744,332
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	1,704,163	1,611,042
Net Unrealized Gain on Investments	(3,680,218)	(2,102,428)
Change in Value of Beneficial Interest in Endowment Funds	(319,460)	(678,968)
Noncash Lease Expense	82,497	134,922
Changes in Operating Assets and Liabilities:		
Accounts Receivable, Net	(3,291,218)	(516,606)
Grants and Contracts Receivable	909,175	1,128,871
Unconditional Promises to Give, Net	695,035	806,573
Prepaid Expenses and Other Assets	3,809,574	(5,311,903)
Related Party Receivables	9,884	8,661
Accounts Payable	1,030,858	883,856
Accrued Expenses	1,182,536	289,815
Refundable Grant Advances	(7,914,430)	21,486,793
Deferred Compensation	48,888	47,468
Net Cash Provided (Used) by Operating Activities	(550,934)	19,532,428
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(5,001,213)	(2,897,754)
Sales of Investments	4,025,760	2,693,902
Purchase of Intangible Assets	-	(55,664)
Purchases of Land, Buildings, and Equipment	(2,275,888)	(1,560,987)
Distributions from Beneficial Interest in Endowment Funds	494,165	649,416
Net Cash Used by Investing Activities	(2,757,176)	(1,171,087)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Line of Credit	-	(50,000)
Proceeds from Line of Credit	500,000	-
Payments on Notes Payable	(47,417)	(153,602)
Proceeds from Note Payable	20,000	50,661
Payments on Lease Liability - Financing	(16,918)	(32,435)
Net Cash Provided (Used) by Financing Activities	455,665	(185,376)
NET CHANGE IN CASH	(2,852,445)	18,175,965
Cash - Beginning of Year	35,749,490	17,573,525
CASH - END OF YEAR	\$ 32,897,045	\$ 35,749,490
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 10,604	\$ 16,236
Cash Paid for Taxes	\$ 479,649	\$ 330,743

See accompanying Notes to Consolidated Financial Statements.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 ORGANIZATION

Jewish Family Service of San Diego (JFS) is a California 501(c)(3) nonprofit organization founded in 1918 by a group of women who were dedicated to meeting the needs of the Jewish community. From its grassroots origins over 100 years ago, JFS has grown into a trusted and comprehensive nonprofit human service organization with a diverse portfolio of programs backed by hundreds of volunteers and supporters. Today, JFS partners with people of all faiths and backgrounds to build stable and dignified lives in San Diego County, Riverside County, and Orange County.

JFS serves more than 105,879 people annually and is on the frontlines addressing the immediate and long-term needs of diverse populations, including children, older adults, homeless individuals, low-income families, refugees, and asylum-seekers.

Rady JFS Foundation, a California 501(c)(3) nonprofit, is a wholly owned subsidiary of JFS and was organized on August 09, 2019. The Foundation was formed under the Nonprofit Public Benefit Corporation Law for charitable purposes. The specific purpose of this corporation is to support the charitable mission, purpose and activities of Jewish Family Service of San Diego.

JFS Foundation, LLC (Foundation), a California 501(c)(3) nonprofit, is a wholly owned subsidiary of JFS and was organized on March 28, 2006. The Foundation was formed to raise funds for JFS through “The Building on a Tradition of Caring Capital Campaign” with a goal to fund the purchase and renovation of the headquarters building and endowing a portion of Older Adult Services. The accounts of this entity are part of the Jewish Family Service of San Diego column as reported on the consolidating schedule of financial position and consolidating schedule of activities.

JFS Holdings, LLC (Holdings), a California 501(c)(3) nonprofit, is a wholly owned subsidiary of JFS and was organized on March 28, 2006. Holdings was formed to acquire and renovate the headquarters building. The accounts of this entity are part of the Jewish Family Service of San Diego column as reported on the consolidating schedule of activities.

8788 Balboa Avenue, LLC (Balboa), a California 501(c)(3) nonprofit, is a wholly owned subsidiary of JFS and was organized on December 7, 2012. Balboa was formed to acquire and renovate the 8788 Balboa Avenue building. The accounts of this entity are part of the Jewish Family Service of San Diego column as reported on the consolidating schedule of activities.

Hand Up Lending, LLC (HUL) is a wholly owned subsidiary of JFS and was organized on July 27, 2015. HUL was formed to assist individuals with challenged credit to build, repair, and support their sufficiency in line with the overall JFS mission. HUL is consolidated within JFS. The accounts of this entity are part of the Jewish Family Service of San Diego column as reported on the consolidating schedule of financial position and consolidating schedule of activities.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 ORGANIZATION (CONTINUED)

4574 Campus Avenue, LLC (Campus), a California 501(c)(3) nonprofit, is a wholly owned subsidiary of JFS and was organized on February 28, 2024. Campus was formed to accept and record the donation an apartment complex to support affordable housing. Future related financial activities of this entity will be part of the Jewish Family Service of San Diego reports on the consolidating schedule of activities.

Charitable Auto Resources, Inc. (CARS) is a wholly owned subsidiary of JFS and was incorporated in Delaware on October 14, 2003 as a for-profit corporation. CARS was a service-oriented car donation management company based in San Diego, California, but has not engaged in any new business activities since the year ended June 30, 2015.

Charitable Adult Rides & Services, Inc. (CARS Nonprofit) is a wholly owned subsidiary of JFS and was incorporated in California as a nonprofit public benefit corporation on December 21, 2010. The specific purpose of CARS Nonprofit is to serve the transportation needs of older adults who are unable to drive, through shuttles, group transportation, excursions, taxi script, volunteer driver programs, car donations to provide transportation and fund the program, and to assist other charities' fundraising efforts through vehicle donation programs.

Capital City Auto Auction, Inc. (CCAA) is a wholly owned subsidiary of CARS Nonprofit and was incorporated in California on May 27, 2016 as a for-profit corporation. CCAA auctions donated vehicles to dealers and the public in the Sacramento, California metropolitan area. A significant portion of the vehicles CCAA auctions are assigned for sale by CARS Nonprofit through its relationships managing other nonprofits' vehicle donation programs.

Charitable Auto Recycling, Inc. (Recycling) is a wholly owned subsidiary of CARS Nonprofit and was incorporated in California on July 12, 2018 as a for-profit corporation. Recycling auctions donated vehicles to dealers and the public in the Austin, Texas metropolitan area. A significant portion of the vehicles Recycling auctions are assigned for sale by CARS Nonprofit through its relationships managing other nonprofits' vehicle donation programs.

Express Auto Auction, Inc. (Express) is a wholly owned subsidiary of CARS Nonprofit and was incorporated in California on August 16, 2019 as a for-profit corporation. Express auctions donated vehicles to dealers in the San Diego, California metropolitan area. A significant portion of the vehicles Express auctions are assigned for sale by CARS Nonprofit through its relationships managing other nonprofits' vehicle donation programs.

Polaris Mobility, Inc. (Polaris) is a wholly owned subsidiary of CARS Nonprofit and was incorporated in California on August 24, 2021 as a for-profit corporation. Polaris acquired the assets of Polaris Mobility, a Delaware Corporation, on September 15, 2021. Polaris is developing non-emergency transportation logistics software which will be suitable for use in the transportation programs of CARS Nonprofit.

Public Auto Auction (Pontiac), LLC (Pontiac) is a wholly owned subsidiary of CARS Nonprofit and was incorporated in California on May 17, 2022 as a for-profit limited liability company. Pontiac acquired the assets utilized in the donated vehicle auctions of Volunteers of America, Michigan on June 10, 2022 and had not began operations in July 30, 2022.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 ORGANIZATION (CONTINUED)

Pontiac auctions donated vehicles to dealers and the public in the Pontiac, Michigan metropolitan area. A significant portion of the vehicles Pontiac auctions are assigned for sale by CARS Nonprofit through its relationships managing other nonprofits' vehicle donation programs.

Entities listed above are consolidated as of and for the years ended June 30, 2024 and 2023 and they will be referred to as the Organization.

For 15 consecutive years, JFS has been awarded a four-star rating from Charity Navigator in recognition of the agency's ability to effectively manage and grow its resources and to execute its mission in an exemplary fiscal manner. Nationally, fewer than 1% of nonprofits rated have achieved this "exceptional" rating for 15 consecutive years.

JFS Programs Include:

Basic Needs and Stability

JFS offers a full spectrum of integrated services through a holistic program delivery model that provides emergency and supplemental food programs, comprehensive aging and wellness services (including transportation, home-delivered meals, and social and wellness centers), Holocaust survivor support programs, case management, parent education and support, housing resources for the homeless, poverty alleviation, refugee and immigration resources, and crisis intervention. JFS is a place where Jewish culture and values are celebrated in service to both the Jewish community and the community at large with the fewest possible barriers to service.

Welcome The Stranger

Since its founding days, JFS has welcomed new immigrants and those in search of a safer life—free from violence and persecution. The organization continues to empower refugees to rebuild their lives through resettlement services, offers pro bono immigration legal services, and provides safety to asylum seekers through humanitarian services and respite shelter.

Vehicle Donation

Since late 2011, CARS Nonprofit has provided turn-key vehicle donation processing services, assisting in fundraising for a diverse group of nonprofit partners under agreements whereby CARS Nonprofit and their nonprofit partners share the net proceeds from the sale of donated vehicles. CARS Nonprofit provided these services for over 3,400 and over 3,600 different nonprofits during the years ended June 30, 2024 and 2023, respectively. During fiscal 2021, CARS Nonprofit began offering similar services relating to the donation of real estate.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Jewish Family Service of San Diego, Rady JFS Foundation, JFS Foundation, LLC, JFS Holdings, LLC, 8788 Balboa Avenue, LLC, Hand Up Lending, LLC, 4574 Campus Avenue, LLC, Charitable Auto Resources, Inc., Charitable Adult Rides & Services, Inc., Capital City Auto Auction, Inc, Charitable Auto Recycling, Inc., Express Auto Auction, Inc., Polaris Mobility, Inc., and Public Auto Auction (Pontiac), LLC. Intercompany balances and transactions have been eliminated in consolidation.

Financial Statement Presentation

The consolidated financial statements have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding its financial position and activities according to the following net asset classification:

Net Assets Without Donor Restriction – Net assets available for use in the general operations and not subject to donor or grantor restrictions. Within this category are amounts that have been designated for specific purposes by the board of directors. These assets can be re-designated by a vote of the board of directors.

Net Assets With Donor Restrictions – Net assets subject to donor- or grantor-imposed stipulations that will be met by actions of the Organization and/or the passage of time. When a donor stipulated time restriction ends or a purpose restriction is accomplished, these net assets are reclassified to assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The income from these assets is available for either general operations or specific programs as required by the donor.

Accounts Receivable

Account receivables arise in the normal course of business. The allowance for uncollectible receivables is the Organization's best estimate of the amount of probable losses in existing account receivables. The Organization determines the allowance based on historical write-off experience and current information. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Grants and Contracts Receivable

Grants and contracts receivables arise in the normal course of business when the Organization has met the terms and conditions of the contract or grant award and has billed for reimbursement. The allowance for uncollectible receivables is the Organization's best estimate of the amount of probable losses in existing account receivables. The Organization determines the allowance based on historical write-off experience and current information. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unconditional Promises to Give

Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. The allowance for unconditional promises to give is determined based on historical experience and management's evaluation of outstanding unconditional promises to give.

Investments

Realized and unrealized gains and losses are included in the change in net assets in the consolidated statements of activities. Investment income and gains restricted by a donor are reported as increases in assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Beneficial Interest in Endowment Funds

Beneficial interest in endowment funds are reported at fair value of the perpetual trust held by a third party and are measured using the fair value of the underlying assets of the trust.

Fair Value of Financial Instruments

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 – Quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly.

Level 3 – Unobservable inputs for the investment.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. As a practical expedient, certain financial instruments may be valued using net asset value (NAV) per share. NAV is the amount of net assets attributable to each share of a pool investment at the end of the period.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments (Continued)

The 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 June 30, 2024 and 2023.

Mutual Funds and Fixed Income: Valued at the closing price reported on the active market on which the individual securities are traded.

Investment Trusts: Reported at fair value based on the fair value of the underlying assets in the trust as reported by the custodian.

Short-Term, Mid-Term, Long-Term, and Endowment Pool: Valued based on the underlying assets held by the Jewish Community Foundation.

The Organization's financial instruments, none of which are held for trading purposes, include cash, receivables, accounts payable, and notes payable. The Organization estimates that the fair value of all of these nonderivative financial instruments at June 30, 2024 and 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying consolidated statements of financial position.

Intangible Assets

Intangible assets consist of customer lists and goodwill. The customer lists were purchased from other car donation companies and other transportation logistics providers. The customer lists are being amortized using a straight-line method over the estimated useful life of seven years. The goodwill is the excess cost over the estimated value of the customer list. Goodwill is not amortized but is tested for impairment on an annual basis, or when triggering events occur. In management's opinion, there has been no impairment to the value of recorded goodwill during the years ended June 30, 2024 and 2023.

Lease

The Organization leases equipment and facilities. Right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred, and the leases are not included as ROU assets and lease liabilities on the statement of financial position. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of its ROU assets. The Organization has elected to use the risk-free rate for the leases. The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land, Buildings, Equipment, and Software

The Organization capitalizes all expenditures in excess of \$10,000 for land, buildings, equipment and software at cost, while donations of land, buildings and equipment are recorded at their estimated fair values. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long these donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without restriction at that time.

Buildings and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

Building and Improvements	5 to 25 Years
Furniture and Equipment	5 to 7 Years
Vehicles	5 Years

Software is amortized using the straight-line method over the estimated useful lives ranging from three to seven years. Maintenance and repairs are charged to operations as incurred. Upon sale or disposition of land, buildings or equipment, the asset account is reduced by the cost and the accumulated depreciation account is reduced by the depreciation taken prior to the sale. Any resultant gain or loss is then recorded as income or expense.

Revenue Recognition

Charitable Vehicle Sales and Fees

The vehicle donation program earns revenue from contracts with charities and these revenues are accounted for under Topic 606. The guidance was applied retrospectively to the contracts that were not completed as of the adoption date.

The Organization's revenue is generated from the sale of vehicles and property donated to charities. The Organization works with various auction houses, some owned by the Organization and others owned by third parties. The auction houses recognize revenue when the fees are collected related to the sale. There are no continuing performance obligations related to this revenue source. For CARS Nonprofit, revenue is recognized when the auction house has sold the vehicle and communicated the sale price. CARS Nonprofit recognizes revenue for the administration of the sale based on negotiated percentages with each charity. Once the sale is complete, there are no further performance obligations for CARS Nonprofit.

**JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Charitable Vehicle Sales and Fees (Continued)

Under Topic 606, accounts receivable represent unconditional rights to consideration from the auction houses and requires only the passage of time before payment of the consideration is collected. Accrued expense related to the sale of vehicles represent amounts due to the charities based on the negotiated rates. The June 30, 2024 and 2023 balances of accounts receivable are disclosed in the consolidated statement of financial position.

The Organization applied the standard's practical expedient that permits the omission of several disclosures related to receivables, contract assets, and contract liabilities.

There have been no changes in judgments used to determine the timing of the satisfaction of performance obligations or the transaction price and amounts allocated to performance obligations.

The Organization recognizes revenue from contracts with customers when its performance obligations are satisfied, regardless of the period in which it is billed. The Organization recognizes revenue at the point in time in which a car is sold at auction. This is the point in time in which the price becomes determinable and allocable to the Organization along with associated fees.

The opening and closing balance of CARS Nonprofit contract asset vehicle sales receivables are as follows:

Balance - July 1, 2022	\$ 2,827,883
Net Change	<u>(41,552)</u>
Balance - July 1, 2023	2,786,331
Net Change	<u>2,792,575</u>
Balance - June 30, 2024	<u><u>\$ 5,578,906</u></u>

Government Contracts

Government contracts are conditioned upon performance requirements and/or the incurrence of allowable qualifying expenses, costs are incurred on the basis of direct costs plus allowable indirect expenses. Revenue recognized on government grants for which billings have not been presented to or collected from the awarding agency is included in grants receivable in the accompanying consolidated statements of financial position. Any amounts received in advance where conditions were not met as of year-end are included in unearned revenue in the accompanying consolidated statements of financial position.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Grants and Contributions

The Organization recognizes all unconditional contributed support in the period in which the commitment to give is made. Grants and contributions are considered revenue and support without donor restriction and available for general operations unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as having donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose of a restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports that support as net assets without donor restrictions. Revenue recognized on unconditional grants that have been committed to the Organization but have not been received is reflected as grants receivable in the accompanying consolidated statements of financial position.

Program Revenue

Program revenue are amounts received from the various programs that are offered by the Organization at each service location. Program revenue is recorded at the point in time when the service has been provided to the client and payment is collected. At that time the amounts are known and there are no further performance obligations.

Donated Services

The Organization utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the consolidated financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Functional Allocation of Expenses

The consolidated financial statements report certain categories of expense that are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses include salary and benefits, depreciation, occupancy expense, information technology and shared program support expense. Salary and benefits are allocated on time and effort, depreciation and occupancy are allocated by square foot and usage, information technology is allocated by full time equivalent and usage and shared program expense is allocated to programs using total expense as the basis.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

JFS, Rady JFS Foundation, the Foundation, Holdings, Balboa Campus, and CARS Nonprofit are public charities and are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. HUL is not considered tax exempt for the state of California but is included in the federal tax filing of JFS. The Foundation, Holdings, Balboa, and HUL are considered disregarded entities for income tax purposes and are included in the income tax returns filed by JFS. JFS and CARS Nonprofit believe that they have appropriate support for any tax positions taken, and as such, do not have any uncertain tax positions that are material to the consolidated financial statements.

Capital City Auto Auction, Charitable Auto Recycling, Inc., Express Auto Auction and Polaris Mobility, Inc. are California corporations subject to federal and state income taxes on net earnings. These entities are calendar year-end tax filers; therefore, estimated taxes due for the six months ended June 30, 2024 and 2023 have been accrued as of June 30, 2024 and 2023.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Organization to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from board members, governmental agencies, and foundations supportive of our mission. Investments are made by diversified investment managers whose performance is monitored by the Organization and the investment committee of the board of directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

Advertising

The Organization expenses the cost of advertising as incurred.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

We have evaluated subsequent events through December 30, 2024, the date the consolidated financial statements were available to be issued. There were no subsequent events that would require adjustments or disclosures in these financial statements.

New Accounting Pronouncements Adopted During the Year

The Organization has adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Organization's financial statements but changed how the allowance for credit losses is determined.

NOTE 3 LIQUIDITY AND AVAILABILITY OF ASSETS

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests excess cash in various investment vehicles at the Jewish Community Foundation. The amount from this pool of investments, though not appropriated in the annual budget development process, could be made available in cases of an emergency. These funds have an anticipated distribution of 5% yearly averaging \$490,000 annually subject to JFS Foundation board approval.

The Organization also maintains two lines of credit, as further described in Note 13. As of June 30, 2024, the total outstanding balance was \$500,000. Accordingly, the remaining \$2,000,000 balance for the lines of credit could be used, if necessary.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 LIQUIDITY AND AVAILABILITY OF ASSETS (CONTINUED)

Financial assets available for other 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:

	<u>2024</u>	<u>2023</u>
Cash	\$ 32,897,045	\$ 35,749,490
Accounts and Contract Asset Receivables, Net	6,825,483	3,534,265
Grants and Contracts Receivable	6,743,922	7,653,097
Unconditional Promises to Give, Net	8,044,089	8,739,124
Investments	29,966,702	25,983,515
Other Assets	86,962	79,070
Beneficial Interests in Endowment Funds	<u>9,866,657</u>	<u>-</u>
Financial Assets Available for Use	94,430,860	81,738,561
Less Assets Not Currently Available:		
Beneficial Interests in Endowment Funds	(9,866,657)	-
Restricted Endowments	(10,120,650)	(409,696)
Board-Designated Assets	(10,344,174)	(4,530,508)
Purpose Restricted	(2,287,575)	(2,607,960)
Unconditional Promises to Give		
to be Received After One Year	(8,002,945)	(7,102,853)
Unconditional Promises to Give		
With Purpose Restrictions in One Year	<u>(25,000)</u>	<u>(25,000)</u>
Total Assets Not Currently Available	<u>(40,647,001)</u>	<u>(14,676,017)</u>
Financial Assets Available for		
General Expenditure in the Next Year	<u>\$ 53,783,859</u>	<u>\$ 67,062,544</u>

NOTE 4 ALLOWANCE FOR CREDIT LOSSES

The Organization records accounts receivable contract asset vehicle sales from clients. An allowance for credit losses relates to receivable is established based upon historical collection rates by age of receivable and adjusted for reasonable expectations of future collection performance, net of estimated recoveries. The Organization periodically assess its methodologies for estimating credit losses in consideration of actual experience, trends, and changes in the overall economic environment.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4 ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

The Organization's accounts receivable and allowance for credit losses were as follows as of June 30, 2024:

<u>Past-Due Status</u>	<u>Amortized Cost Basis</u>	<u>Expected Credit Loss Rate</u>	<u>Expected Credit Loss Estimate</u>	<u>Net Receivable</u>
Accounts Receivable	\$ 1,246,577	0%	\$ -	\$ 1,246,577
Contract Asset Vehicle				
Sales Receivables:				
0 to 30 Days	3,120,648	0%	-	3,120,648
31 to 60 Days	1,702,172	0%	-	1,702,172
61 to 90 Days	567,391	5%	28,370	539,021
Over 90 Days	283,695	23%	66,630	217,065
Related Party Receivables:	10,615	0%	-	10,615
Total	<u>\$ 6,931,098</u>		<u>\$ 95,000</u>	<u>\$ 6,836,098</u>

NOTE 5 GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
County of San Diego	\$ 1,990,038	\$ 1,421,854
Catholic Charities	1,535,373	3,418,723
City of San Diego	804,148	204,875
California Department of Social Services	721,358	454,250
County of Riverside	635,858	308,515
Hebrew Immigrant Aid Society	395,247	299,303
San Diego Association of Governments	287,086	339,562
Other	152,697	31,511
City of Vista	76,220	-
Council on American-Islamic Relations, California	58,818	-
Regional Task Force on the Homeless	56,737	12,259
Conference on Jewish Material Claims Against Germany, Inc.	15,842	220,379
San Diego County Office of Assigned Counsel	14,500	91,952
Riverside County Dept. of Public Services	-	581,802
California Department of Social Services	-	98,600
CA Department of Public Health	-	81,366
State of CA Emergency Services	-	26,972
California Association	-	18,490
HIAS Border Fellow	-	14,889
Napa County Office of Education	-	14,844
Grossmont Healthcare District	-	10,000
County of Orange	-	2,951
Total Grants and Contracts Receivable	<u>\$ 6,743,922</u>	<u>\$ 7,653,097</u>

Grants and Contracts Receivable as of June 30, 2024 are expected to be fully collected during the year ending June 30, 2025.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 6 UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Due in Less Than One Year	\$ 50,000	\$ 1,740,004
Due in One to Five Years	224,500	212,500
Due in Over Five Years	<u>7,778,445</u>	<u>6,890,353</u>
Subtotal	8,052,945	8,842,857
Less: Discount to Present Value (Rates Between 3.81% and 4.50%)	<u>(8,856)</u>	<u>(103,733)</u>
Total	<u><u>\$ 8,044,089</u></u>	<u><u>\$ 8,739,124</u></u>

JFS entered into a matching agreement with a donor in April 2013. The agreement was amended in August 2016 and again in August 2018. Under the amended agreement, donor will match qualified gifts raised during challenge period, up to \$23,500,000. Challenge period is November 2016 through May 2023. Qualified gifts include outright endowment gifts, and payment made in satisfaction of written pledges and testamentary gifts. Payments on written pledges must be made by the 5-year anniversary of the end of the challenge period, by May 2028. Testamentary gifts written, binding or non-binding agreements stating donor's intent or agreement to make an endowment gift upon donor's death, providing that donor is at least seventy years old and gift is paid within twenty-five years after the end of the challenge period. JFS raised the amount and met the conditions during the year ended June 30, 2022. The present value of receivable is included in unconditional promises to give.

NOTE 7 INVESTMENTS

The Organization has an investment committee that has established an investment policy. It is the Organization's policy to diversify all investment portfolios. The investment committee reviews and evaluates the risk within the investment portfolios, nevertheless, those portions of the investment portfolios consisting of holdings in equity securities and debt instruments are exposed to market price volatility in the stock and bond markets and are, therefore, inherently at risk.

The Organization maintains its investments at Jewish Community Foundation (JCF). The funds held at JCF are invested in investment pools or are held as cash until invested in an investment pool.

The Short-Term Pool is a cash equivalent pool that seeks principal preservation by investing in certificates of deposit, securities issued or guaranteed by the U.S. government and other cash equivalents. The Mid-Term Pool invests in domestic and international equities, fixed income and real assets. The Long-Term Pool invests in domestic and international equities, fixed income and real assets consisting of REITS and/or commodities. The Endowment Pool invests in domestic and international equities, fixed income, real assets consisting of private real estate, REITS and/or commodities and multi-strategy investments including fund of funds investments.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 INVESTMENTS (CONTINUED)

The following tables summarize assets measured at fair value by classifications within the fair value hierarchy:

Assets at Fair Value as of June 30, 2024				
	Level 1	Level 2	Level 3	Total
Cash	\$ 482	\$ -	\$ -	\$ 482
Common Stock	438	-	-	438
Mutual Funds	164,452	-	-	164,452
Fixed Income	168,001	-	-	168,001
Small Blend	57,539	-	-	57,539
Commodities ETF	27,896	-	-	27,896
Large Value ETF	18,330	-	-	18,330
Small Growth ETF	38,032	-	-	38,032
Investment Trusts	-	27,877	-	27,877
Short-Term Pool	-	-	1,734	1,734
Long-Term Pool	-	-	18,034,557	18,034,557
Endowment Pool	-	-	11,427,364	11,427,364
Total	\$ 475,170	\$ 27,877	\$ 29,463,655	\$ 29,966,702

Assets at Fair Value as of June 30, 2023				
	Level 1	Level 2	Level 3	Total
Cash	\$ 831	\$ -	\$ -	\$ 831
Common Stock	7	-	-	7
Mutual Funds	117,705	-	-	117,705
Fixed Income	135,924	-	-	135,924
Small Blend	53,624	-	-	53,624
Commodities ETF	23,108	-	-	23,108
Large Value ETF	15,308	-	-	15,308
Small Growth ETF	33,093	-	-	33,093
Investment Trusts	-	26,193	-	26,193
Short-Term Pool	-	-	15,245	15,245
Mid-Term Pool	-	-	1,844,089	1,844,089
Long-Term Pool	-	-	14,067,659	14,067,659
Endowment Pool	-	-	9,650,729	9,650,729
Total	\$ 379,600	\$ 26,193	\$ 25,577,722	\$ 25,983,515

The following table summarizes the activity for assets measured as fair value on a recurring basis using significant unobservable inputs (Level 3) as of June 30:

2024				
	Purchases	Sales	Transfers In	Transfers Out
Pool Investments	\$ 2,909,311	\$ (2,658,664)	\$ -	\$ -

2023				
	Purchases	Sales	Transfers In	Transfers Out
Pool Investments	\$ 1,823,545	\$ (1,504,307)	\$ -	\$ -

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 INVESTMENTS (CONTINUED)

For the years ended June 30, investment return was comprised of the following:

	<u>2024</u>	<u>2023</u>
Interest and Dividends	\$ 131,625	\$ 745,348
Realized Gains, Net	1,107,154	589,309
Unrealized Gains, Net	3,680,218	2,102,428
Investment Fees	(148,206)	(150,993)
Total Investment Return	<u>\$ 4,770,791</u>	<u>\$ 3,286,092</u>

NOTE 8 INVESTMENT IN KLA HOLDINGS, LLC

The Organization was a member of KLA Holdings, LLC (KLA) and maintained a 50% interest in KLA. The purpose of KLA is to acquire, improve, manage, lease, operate and hold for investment, sell and/or exchange real property. The investment in KLA is accounted for using the equity method. As of June 30, the balances for KLA are as follows:

	<u>2024</u>	<u>2023</u>
Total Assets	\$ 173,924	\$ 158,139
Total Liabilities	-	-
Total Members' Equity	173,924	158,139
Net Income	15,785	16,148

The change in the investment in KLA is as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Beginning Investment	\$ 79,070	\$ 70,996
Net Income	7,892	8,074
Total	<u>\$ 86,962</u>	<u>\$ 79,070</u>

NOTE 9 INTANGIBLE ASSETS

Intangible assets consist of the following as of June 30:

	<u>Balance at June 30, 2023</u>	<u>Additions</u>	<u>Balance at June 30, 2024</u>
Customer Lists	\$ 1,544,269	\$ -	\$ 1,544,269
Accumulated Amortization	(1,002,209)	(199,791)	(1,202,000)
Subtotal	542,060	(199,791)	342,269
Goodwill	511,227	-	511,227
Purchased Software	650,000	-	650,000
Total	<u>\$ 1,703,287</u>	<u>\$ (199,791)</u>	<u>\$ 1,503,496</u>

Amortization expense of these customer lists was \$199,791 and \$258,998 for the years ended June 30, 2024 and 2023, respectively.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 9 INTANGIBLE ASSETS (CONTINUED)

Future amortization expense of the customer lists as of June 30, 2024 is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 181,219
2026	112,811
2027	35,127
2028	10,673
2029	2,439
Total	<u>\$ 342,269</u>

NOTE 10 LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Land	\$ 4,023,335	\$ 4,023,335
Buildings and Improvements	14,817,000	14,544,544
Furniture and Equipment	2,685,109	2,646,886
Software	5,323,031	4,521,321
Vehicles	1,898,922	1,681,982
Leasehold Improvements	199,261	199,261
Subtotal	<u>28,946,658</u>	<u>27,617,329</u>
Less: Accumulated Depreciation and Amortization	<u>(12,179,316)</u>	<u>(10,922,006)</u>
Land, Buildings, and Equipment, Net of Depreciation	16,767,342	16,695,323
Construction In Progress	<u>896,479</u>	<u>196,982</u>
Total Land, Buildings, and Equipment, Net of Depreciation	<u>\$ 17,663,821</u>	<u>\$ 16,892,305</u>

Depreciation expense was \$1,504,372 and \$1,352,044 for the years ended June 30, 2024 and 2023, respectively.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 11 BENEFICIAL INTERESTS IN ENDOWMENT FUNDS

JFS has a beneficial interest in assets held by JFS Foundation, supporting organization of JCF. JFS is the beneficiary of the assets invested in JCF which are managed in accordance with UPMIFA. Under the terms of the agreement, JCF will make regular distributions to JFS as determined by the board of directors.

The following tables summarizes assets measured at fair value by classifications within the fair value hierarchy:

Assets at Fair Value as of June 30, 2024					
	Level 1	Level 2	Level 3	NAV	Total
Beneficial Interests in Endowment Funds	\$ -	\$ -	\$ 9,866,657	\$ -	\$ 9,866,657

Assets at Fair Value as of June 30, 2023					
	Level 1	Level 2	Level 3	NAV	Total
Beneficial Interests in Endowment Funds	\$ -	\$ -	\$ 9,376,770	\$ -	\$ 9,376,770

The following table summarizes the activity for assets measured as fair value on a recurring basis using significant unobservable inputs (Level 3) as of June 30:

2024				
	Purchases	Sales	Transfers In	Transfers Out
Beneficial Interests in Endowment Funds	\$ -	\$ (494,165)	\$ -	\$ -

2023				
	Purchases	Sales	Transfers In	Transfers Out
Beneficial Interests in Endowment Funds	\$ -	\$ (649,415)	\$ -	\$ -

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 12 NOTES PAYABLE

Notes payable consist of the following at June 30:

<u>Description</u>	<u>2024</u>	<u>2023</u>
Notes payable for acquisition of Polaris Mobility in September 2021, interest only payments for three years and interest-free thereafter. Principal payments due after Polaris Mobility has achieve profitability and has cash reserves of \$100,000.	\$ 713,509	\$ 713,509
Note payable for the purchase of a customer list and various web sites, payable in quarterly installments based on collections from the underlying customers with no interest; the balance is not guaranteed to the seller.	68,215	78,101
Notes payable for acquisition of Express Auto Auction, payable in monthly installments of \$6,250 at 0% interest, due in September 2023.	-	6,250
Notes payable for purchases of equipment, payable in aggregate monthly installments of \$3,816, including interest ranging from 6.20% to 9.295%, maturing at various dates from May 2021 to March 2024.	-	19,672
Notes payable for the remodel of rented space, payable in monthly installments of \$857 at 6%, due June 2024.	-	9,961
Notes payable for the remodel of rented space, payable in monthly installments of \$830 at 6%, due August 2023.	-	1,648
Note Payable for advances made to Public Auto Auction (Pontiac), LLC by the organization providing management services to Pontiac under the terms of their Management Services Agreement, no formal terms as to the timing for repayment or for interest	52,500	32,500
Total	<u>\$ 834,224</u>	<u>\$ 861,641</u>

Future maturities of the notes payable as of June 30, 2024 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 19,490
2026	19,490
2027	19,490
2028	9,745
Thereafter	766,009
Total	<u>\$ 834,224</u>

The City National Bank notes payable contains certain covenants one of which is that the audited consolidated financial statements be submitted within 150 days of year-end. The Organization obtained a waiver for this covenant.

**JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 13 LINE OF CREDIT

In May 2022, the Organization entered into a \$2,000,000 line of credit with the bank. The line of credit bears interest rate at the greater of 2.5% or prime rate and matures on May 1, 2025. At June 30, 2024, there was no outstanding balance on this line of credit.

In May 2022, the Organization entered into a \$500,000 line of credit with the bank. The line of credit bears interest rate at the greater of 2.5% or prime rate plus .5%, and matures on May 1, 2025. At June 30, 2024, there was a \$500,000 outstanding balance on this line of credit.

NOTE 14 DEFERRED COMPENSATION

JFS has deferred compensation agreements with a former and current executive employee. The plan provides for annual contributions to investment accounts held at various financial institutions, set aside for this purpose. Contributions totaled \$48,888 and \$47,468 for the years ended June 30, 2024 and 2023, respectively, and are included in employee benefits in the consolidated statements of functional expenses. The accumulated deferred compensation payable due as of June 30, 2024 and 2023 is \$504,360 and \$455,472, respectively, and is included in the consolidated statements of financial position.

NOTE 15 NET ASSETS

Net assets without donor restrictions that have been designated by the board to include the following:

	<u>2024</u>	<u>2023</u>
Reserve	\$ 1,987,107	\$ 1,308,445
Self Sufficiency Program	3,503,596	3,222,063
Endowment	4,853,471	4,612,961
Total	<u>\$ 10,344,174</u>	<u>\$ 9,143,469</u>

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 NET ASSETS (CONTINUED)

Net assets with donor restrictions are restricted for the following purposes:

	<u>2024</u>	<u>2023</u>
Purpose Restrictions:		
Subject to Expenditure for Specified Purpose:		
Basic Needs and Stability	\$ 992,709	\$ 946,960
Welcome the Stranger	1,211,789	1,513,153
Other	8,077	-
Hebrew Free Loan Assistance	75,000	147,847
Total	<u>2,287,575</u>	<u>2,607,960</u>
Subject to Appropriation of Endowment Spending Policy:		
Basic Needs and Stability	176,704	126,508
Other	124,804	93,478
General Use	1,133,832	525,072
Total	<u>1,435,340</u>	<u>745,058</u>
Time Restricted for Future Periods:		
Promises to Give, Proceeds from Which		
Have Been Restricted by Donors:		
Basic Needs and Stability	125,000	125,000
Subject to Passage of Time	7,919,089	8,614,124
Total	<u>8,044,089</u>	<u>8,739,124</u>
Perpetual in Nature:		
Basic Needs and Stability	701,154	651,154
Other	265,000	265,000
General Use	7,719,156	3,512,293
Total	<u>8,685,310</u>	<u>4,428,447</u>
Net Assets With Donor Restrictions	<u>\$ 20,452,314</u>	<u>\$ 16,520,589</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose of by the occurrence of the passage of time or other events specified by the donor as follows:

	<u>2024</u>	<u>2023</u>
Net Asset Releases:		
Basic Needs and Stability	\$ 2,102,836	\$ 760,017
Welcome the Stranger	3,113,970	2,166,236
Other	20,795	18,703
General Use	969,737	371,969
Time Restricted	1,678,004	1,416,564
Hebrew Free Loan Assistance	72,847	-
Total	<u>\$ 7,958,189</u>	<u>\$ 4,733,489</u>

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 16 ENDOWMENT

The Organization's endowment consists of individual funds established for a variety of purposes. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions. The Organization holds and manages the general endowment fund, with the remaining funds held and managed by others.

JFS Managed Funds

The Organization has interpreted the enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as preserving the fair value of the original gift as of the gift date of the donor-restricted endowment funds while supporting operational needs. As a result of this interpretation, the Organization classifies as net assets perpetual in nature (1) the original value of gifts donated to the endowment (2) the original value of subsequent gifts donated to the endowment (3) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is classified as purpose restricted net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There was one fund with such deficiencies as of June 30, 2024 and 2023.

The Organization has adopted investment and spending policies for endowment funds that:

1. Protect the invested assets
2. Preserve spending capacity of the fund income
3. Maintain a diversified portfolio of assets that meet investment return objectives while keeping risk at a minimal level
4. Comply with applicable laws

The Organization's endowment funds are invested at JCF in a portfolio of equity and debt securities which is structured for long-term total return. The Organization's spending policy is to disburse funds available in accordance with donor restrictions to meet the current program needs of the Organization.

**JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 16 ENDOWMENT (CONTINUED)

Beneficial Interests in Endowment Funds

The beneficial interests are held by JFS Foundation, supporting organization of JCF of which JFS is the beneficiary of the assets, invested in JCF, and are managed in accordance with UPMIFA. The investment objectives are to maintain the purchasing power (real value) of the endowment funds. However, from time to time, the fair value of the assets in the endowment fund may fall below the level that the donors require be retained as a fund of perpetual duration.

JFS classifies net assets with perpetual nature held by JFS Foundation as:

1. The original value of gifts donated to the fund
2. The original value of the Organization's funds transferred to the fund
3. The original value of subsequent gifts donated to the fund
4. Investment income and realized and unrealized gains and losses on investments
5. Distributions from the fund in accordance with the spending policy

JFS Foundation has adopted investment and spending policies for endowment funds that:

1. Protect the invested assets
2. Preserve spending capacity of the fund income
3. Maintain a diversified portfolio of assets that meet investment return objectives while keeping risk at a moderate level
4. Comply with applicable laws

JFS Foundation endowment funds are invested in JCF in a portfolio of equity and debt securities which is structured for long-term total return.

The Organization's spending policy is to disburse 5% annually, based upon endowment principal market value. If the market value of the Endowment Principal of any fund, at the end of each month, is less than the initial value of all contributions made to the Endowment Principal, then distributions will be limited to interest and dividends received.

Endowment composition by type of fund as of June 30:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 4,853,471	\$ -	\$ 4,853,471
Donor-Designated Funds:			
Original Donor-Restricted Gift			
Amount Required to be			
Maintained in Perpetuity by Donor	-	8,685,310	8,685,310
Accumulated Investment Gains	-	1,435,340	1,435,340
Total	\$ 4,853,471	\$ 10,120,650	\$ 14,974,121

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 16 ENDOWMENT (CONTINUED)

Beneficial Interests in Endowment Funds (Continued)

	2023		Total
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	
Board-Designated Endowment Funds	\$ 4,612,961	\$ -	\$ 4,612,961
Donor-Designated Funds:			
Original Donor-Restricted Gift			
Amount Required to be			
Maintained in Perpetuity by Donor	-	4,638,705	4,638,705
Underwater Endowments	-	(210,258)	(210,258)
Accumulated Investment Gains	-	745,058	745,058
Total	<u>\$ 4,612,961</u>	<u>\$ 5,173,505</u>	<u>\$ 9,786,466</u>

As of June 30, 2024, total endowments of \$14,974,121 consist of beneficial interests in endowment funds of \$9,866,657 and investments of \$5,107,464. As of June 30, 2023, total endowments of \$9,786,466 consist of beneficial interests in endowment funds of \$9,376,770 and investments of \$409,696.

Changes in endowment net assets are as follows as of June 30:

	2024		Total
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	
Endowment Net Assets -			
Beginning of Year	\$ 4,612,961	\$ 5,173,505	\$ 9,786,466
Contributions	-	4,253,940	4,253,940
Appropriated Expenditures	(243,462)	(1,029,327)	(1,272,789)
Investment Return, Net	483,972	1,722,532	2,206,504
Endowment Net Assets - End of Year	<u>\$ 4,853,471</u>	<u>\$ 10,120,650</u>	<u>\$ 14,974,121</u>

	2023		Total
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	
Endowment Net Assets -			
Beginning of Year	\$ 4,491,941	\$ 5,132,607	\$ 9,624,548
Contributions	-	45,336	45,336
Appropriated Expenditures	(240,193)	(430,596)	(670,789)
Investment Return, Net	361,213	426,158	787,371
Endowment Net Assets - End of Year	<u>\$ 4,612,961</u>	<u>\$ 5,173,505</u>	<u>\$ 9,786,466</u>

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 17 RETIREMENT PLAN

JFS has established a 401(k)-retirement plan (the Plan) covering all full-time and half-time employees. The Plan allows for employee contributions to the Plan up to the maximum amount allowed by the Internal Revenue Code, if they wish, beginning on their hire date. JFS made a 3% safe harbor contribution and a discretionary match for the years ended June 30, 2024 and 2023. Employees are eligible to participate in JFS's safe harbor contribution if they are 21 years of age and have completed one year of service and 975 hours of service during the Plan year, and are eligible for the discretionary match if they are 21 years of age and have completed six months of employment. The Organization contributed \$1,519,102 and \$1,157,965 to the Plan for the years ended June 30, 2024 and 2023, respectively.

NOTE 18 COMMITMENTS

Facility Operating Leases

JFS leases office facilities under lease agreements expiring through fiscal year 2027. Rent expense totaled \$11,735,715 and \$1,881,122 for the years ended June 30, 2024 and 2023, respectively.

CARS Nonprofit leases office facilities under a lease agreement that expires in fiscal year 2027. Rent expense totaled \$259,301 and \$242,271 for the years ended June 30, 2024 and 2023, respectively. CARS Nonprofit leases equipment under a lease agreement that expires in fiscal year 2026. Rent expense totaled \$38,093 and \$40,473 for the years ended June 30, 2024 and 2023, respectively.

CCAA rents land and buildings under lease agreements through fiscal year 2024. For the years ended June 30, 2024 and 2023, rent expense totaled \$308,923 and \$348,841, respectively. The general manager for CCAA has a 21.4% interest in APG Properties, LLC that CCAA rented property from during the years ended June 30, 2024 and 2023. Additionally, the general manager has a 33.33% undivided interest in RAA Property Partnership. CCAA rents vacant land used by the auction from this entity.

Charitable Auto Recycling, Inc. leases space from KLA Holdings, a related party, under a lease agreement that expires in fiscal year 2029. Charitable Auto Recycling, Inc. leases equipment under a lease agreement that expires in fiscal year 2030. For the years ending June 30, 2024 and 2023, rent expense totaled \$72,927 and \$46,483, respectively.

Express rents land under a lease agreement expiring November 2031. For the years ending June 30, 2024 and 2023, rent expense totaled \$274,810 and \$249,721, respectively.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 18 COMMITMENTS (CONTINUED)

Facility Operating Leases (Continued)

The following table provides quantitative information concerning the Organization's leases.

	<u>2024</u>	<u>2023</u>
Lease Cost:		
Finance Lease Cost - Interest on Lease Liabilities	\$ 294	\$ 2,345
Operating Lease Cost	1,646,442	1,227,909
Total Lease Costs	<u>\$ 1,646,736</u>	<u>\$ 1,230,253</u>
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Finance Leases	\$ 294	\$ 2,345
Operating Cash Flows from Operating Lease	\$ 1,570,777	\$ 1,142,340
Financing Cash Flows from Finance Leases	\$ 16,918	\$ 32,435
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	\$ 1,152,606	\$ 6,545,435
Weighted-Average Remaining Lease Term - Finance Leases	N/A	0.5 Years
Weighted-Average Remaining Lease Term - Operating Leases	4.1 Years	4.9 Years
Weighted-Average Discount Rate - Finance Leases	N/A	7.00%
Weighted-Average Discount Rate - Operating Lease	4.10%	4.21%

A maturity analysis of annual discounted cash flows for leases liabilities as of June 30, 2024, is as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>	<u>Finance Leases</u>	<u>Totals</u>
2025	\$ 1,607,750	\$ -	\$ 1,607,750
2026	1,592,987	-	1,592,987
2027	1,272,554	-	1,272,554
2028	905,330	-	905,330
2029	391,799	-	391,799
Thereafter	308,236	-	308,236
Undiscounted Cash Flows	6,078,656	-	6,078,656
Less: Imputed Interest	(488,986)	-	(488,986)
Total Present Value	<u>\$ 5,589,670</u>	<u>\$ -</u>	<u>\$ 5,589,670</u>

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 19 CONCENTRATIONS

The Organization maintains bank accounts which may exceed depository insurance limits and therefore expose the Organization to credit risk. The Organization restricts its cash deposits to financial institutions which are members of the FDIC, insured up to a limit of \$250,000 per depositor.

For the years ended June 30, 2024 and 2023, two and one agencies accounted for 35% and 50%, respectively, of total grants receivable. For the years ended June 30, 2024 and 2023, two donors donor accounted for 91% and 86%, respectively, of total unconditional promises to give. For the years ended June 30, 2024 and 2023, one agency and three agencies accounted for 23% and 68%, respectively, of total grant revenue.

NOTE 20 RELATED PARTY

Recycling leases the land on which it conducts its auctions from KLA Holding, LLC. CARS Nonprofit has a 50% interest in KLA Holdings, LLC.

REQUIRED SUPPLEMENTARY INFORMATION



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Jewish Family Service of San Diego
San Diego, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Jewish Family Service of San Diego (JFS), a nonprofit California public benefit corporation, which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows, for the year then ended, the related notes to the consolidated financial statements, and have issued our report thereon dated December 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered JFS's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of JFS's internal control. Accordingly, we do not express an opinion on the effectiveness of JFS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the consolidated financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

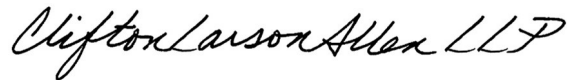
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the JFS’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Pasadena, California
December 30, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Jewish Family Service of San Diego
San Diego, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jewish Family Service of San Diego's (JFS) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of JFS's major federal programs for the year ended June 30, 2024. JFS's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, JFS complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of JFS and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of JFS's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to JFS's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on JFS's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JFS's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 JFS's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of JFS's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of JFS's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of JFS as of and for the year ended June 30, 2024, and have issued our report thereon dated December 30, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Pasadena, California
December 30, 2024

**JEWISH FAMILY SERVICE OF SAN DIEGO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture			
SNAP Cluster:			
State Admin Matching Grants for the Supplemental Nutrition Assistance Program:			
Pass-Through Cal Fresh Outreach Program	10.561	\$ -	\$ 38,370
Total U.S. Department of Agriculture		-	38,370
U.S. Department of Housing and Urban Development			
COVID-19 Emergency Solutions Grant:			
Pass-Through County of Riverside	14.231	-	332,298
Continuum of Care Program:			
Pass-Through Riverside County Department of Public Social Service	14.267	-	3,130,262
Total U.S. Department of Housing and Urban Development		-	3,462,560
U.S. Department of State			
U.S. Refugee Admissions Program:			
Pass-Through Hebrew Immigrant Aid Society	19.510	-	910,315
Total U.S. Department of State		-	910,315
U.S. Department of Transportation			
Transit Services Programs Cluster:			
Enhanced Mobility of Seniors and Individuals with Disabilities:			
Pass-Through San Diego Association of Governments	20.513	-	356,910
Total U.S. Department of Transportation		-	356,910
U.S. Department of the Treasury			
Coronavirus State and Local Fiscal Recovery Funds			
Pass-Through County of San Diego	21.027	-	1,622,891
Total U.S. Department of the Treasury		-	1,622,891
U.S. Department of Health and Human Services			
Aging Cluster:			
Special Programs for the Aging, Title III, Part B,			
Pass-Through County of San Diego	93.044	-	18,271
CARES Act for Nutrition Services Under Title III-C of the Older Americans Act:			
Pass-Through County of San Diego	93.045	-	1,636,788
Nutrition Services Incentive Program:			
Pass-Through County of San Diego	93.053	-	50,212
Total Aging Cluster		-	1,705,271
477 Cluster:			
Community Services Block Grant:			
Pass-Through County of San Diego	93.569	-	252,182
Total Community Services Block Grant Cluster		-	252,182

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**JEWISH FAMILY SERVICE OF SAN DIEGO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services (Continued)			
Special Programs for the Aging, title IV and Title II, Discretionary Projects: Pass-Through Project Connect	93.048	\$ -	\$ 44,959
National Family Caregiver Support, Title III, Part E: Pass-Through County of San Diego	93.052	-	224,747
Refugee and Entrant Assistance State/Replacement Designee Administered Programs: Pass-Through California Department of Social Services	93.566	-	537,822
Refugee and Entrant Assistance Voluntary Agency Programs: Pass-Through Hebrew Immigrant Aid Society	93.567	-	2,808
Refugee and Entrant Assistance, Discretionary Grants: Pass-Through Hebrew Immigrant Aid Society	93.576	-	1,068,936
Refugee and Entrant Assistance Targeted Assistance Grants: Pass-Through Catholic Charities	93.584	-	352,993
Material and Child Health Services Block Grant to the States: Pass-Through State of California	93.994	-	284,375
Total U.S. Department of Health and Human Services		-	4,474,093
U.S. Department of Homeland Security			
Nonprofit Security Program: Pass-Through California Governor's Office of Emergency Services	97.008	-	240,404
Emergency Food and Shelter Program (EFSP): Pass-Through Catholic Charities	97.024	-	17,859,755
Pass-Through Riverside County	97.024	-	39,707
Total Emergency Food and Shelter Program (EFSP)		-	17,899,462
Shelter and Services Program (SSP): Pass-Through Catholic Charities	97.141	-	1,853,651
Total U.S. Department of Homeland Security		-	19,993,517
Total Expenditures of Federal Awards		\$ -	\$ 30,858,656

See accompanying Notes to Schedule of Expenditures of Federal Awards.

JEWISH FAMILY SERVICE OF SAN DIEGO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Jewish Family Service of San Diego under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Jewish Family Service of San Diego, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Jewish Family Service of San Diego.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Jewish Family Service of San Diego will use the 10% de minimis indirect cost rate for federal contracts that do not have a negotiated rate.

**JEWISH FAMILY SERVICE OF SAN DIEGO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.576	Refugee and Entrant Assistance Discretionary Grant
97.024	Emergency Food and Shelter National Board Program
97.141	Shelter and Services Program

Dollar threshold used to distinguish between Type A and Type B programs: \$ \$925,760

Auditee qualified as low-risk auditee? _____ x yes _____ no

**JEWISH FAMILY SERVICE OF SAN DIEGO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

SUPPLEMENTARY INFORMATION

JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Jewish Family Service of San Diego	Rady JFS Foundation	JFS Holdings, LLC	8788 Balboa Avenue, LLC	CARS, Inc. & Subsidiaries	Eliminations	Consolidated
ASSETS							
Cash	\$ 29,386,086	\$ -	\$ -	\$ -	\$ 3,510,959	\$ -	\$ 32,897,045
Accounts Receivable, Net	1,416,320	-	-	-	-	(169,743)	1,246,577
Contract Asset Vehicle Sales Receivables, Net	-	-	-	-	5,844,292	(265,386)	5,578,906
Grants and Contracts Receivable	6,743,922	-	-	-	-	-	6,743,922
Unconditional Promises to Give, Net	8,044,089	-	-	-	-	-	8,044,089
Investments	18,539,338	11,427,364	-	-	-	-	29,966,702
Investment in KLA Holdings, LLC	-	-	-	-	86,962	-	86,962
Prepaid Expenses and Other Assets	2,894,774	-	-	-	665,005	-	3,559,779
Intangible Assets	-	-	-	-	1,503,496	-	1,503,496
Intercompany Receivables	14,509,825	10,471	-	-	1,894,942	(16,415,238)	-
Related Party Receivables	615	-	-	-	10,000	-	10,615
Right-of-Use Asset - Operating	2,538,585	-	-	-	2,883,019	-	5,421,604
Investment in Subsidiaries	5,760,456	-	-	-	958,424	(6,718,880)	-
Land, Buildings, and Equipment, Net	3,689,715	-	5,715,670	4,755,340	3,503,096	-	17,663,821
Beneficial Interests in Endowment Funds	9,866,657	-	-	-	-	-	9,866,657
	<u>\$ 103,390,382</u>	<u>\$ 11,437,835</u>	<u>\$ 5,715,670</u>	<u>\$ 4,755,340</u>	<u>\$ 20,860,195</u>	<u>\$ (23,569,247)</u>	<u>\$ 122,590,175</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts Payable	\$ 2,313,683	\$ -	\$ -	\$ -	\$ 1,454,168	\$ (38,333)	\$ 3,729,518
Accrued Expenses	4,936,946	-	-	-	5,400,802	(131,410)	10,206,338
Intercompany Payables	2,791,668	-	5,715,670	4,755,340	3,152,560	(16,415,238)	-
Refundable Grant Advances	16,378,394	-	-	-	22,796	-	16,401,190
Lease Liability - Operating	2,616,855	-	-	-	2,972,815	-	5,589,670
Line of Credit	-	-	-	-	500,000	-	500,000
Notes Payable	-	-	-	-	1,121,101	(286,877)	834,224
Deferred Compensation	504,360	-	-	-	-	-	504,360
Total Liabilities	<u>29,541,906</u>	<u>-</u>	<u>5,715,670</u>	<u>4,755,340</u>	<u>14,624,242</u>	<u>(16,871,858)</u>	<u>37,765,300</u>
NET ASSETS							
Without Donor Restrictions:							
Operating	43,051,988	11,437,835	-	-	6,235,953	(6,697,389)	54,028,387
Board-Designated	10,344,174	-	-	-	-	-	10,344,174
Total Without Donor Restrictions	<u>53,396,162</u>	<u>11,437,835</u>	<u>-</u>	<u>-</u>	<u>6,235,953</u>	<u>(6,697,389)</u>	<u>64,372,561</u>
With Donor Restrictions	20,452,314	-	-	-	-	-	20,452,314
Total Net Assets	<u>73,848,476</u>	<u>11,437,835</u>	<u>-</u>	<u>-</u>	<u>6,235,953</u>	<u>(6,697,389)</u>	<u>84,824,875</u>
Total Liabilities and Net Assets	<u>\$ 103,390,382</u>	<u>\$ 11,437,835</u>	<u>\$ 5,715,670</u>	<u>\$ 4,755,340</u>	<u>\$ 20,860,195</u>	<u>\$ (23,569,247)</u>	<u>\$ 122,590,175</u>

JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	Jewish Family Service of San Diego	Rady JFS Foundation	JFS Holdings, LLC	8788 Balboa Avenue, LLC	CARS, Inc. & Subsidiaries	Eliminations	Consolidated
ASSETS							
Cash	\$ 31,661,851	\$ -	\$ -	\$ -	\$ 4,087,639	\$ -	\$ 35,749,490
Accounts Receivable, Net	850,656	-	-	-	-	(102,722)	747,934
Contract Asset Vehicle Sales Receivables, Net	-	-	-	-	3,194,083	(407,752)	2,786,331
Grants and Contracts Receivable	7,653,097	-	-	-	-	-	7,653,097
Unconditional Promises to Give, Net	8,739,124	-	-	-	-	-	8,739,124
Investments	16,623,448	9,360,067	-	-	-	-	25,983,515
Investment in KLA Holdings, LLC	-	-	-	-	79,070	-	79,070
Prepaid Expenses and Other Assets	6,826,906	-	-	-	542,447	-	7,369,353
Intangible Assets	-	-	-	-	1,703,287	-	1,703,287
Intercompany Receivables	7,483,051	23,988	25,936	-	1,327,638	(8,860,613)	-
Related Party Receivables	499	-	-	-	20,000	-	20,499
Right-of-Use Asset - Operating	2,013,422	-	-	-	3,520,977	-	5,534,399
Investment in Subsidiaries	5,270,921	-	-	-	620,929	(5,891,850)	-
Land, Buildings, and Equipment, Net	2,899,550	-	6,026,899	4,929,523	3,036,333	-	16,892,305
Beneficial Interests in Endowment Funds	9,376,770	-	-	-	-	-	9,376,770
	<u>\$ 99,399,295</u>	<u>\$ 9,384,055</u>	<u>\$ 6,052,835</u>	<u>\$ 4,929,523</u>	<u>\$ 18,132,403</u>	<u>\$ (15,262,937)</u>	<u>\$ 122,635,174</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts Payable	\$ 1,651,902	\$ -	\$ -	\$ -	\$ 1,167,133	\$ (120,375)	\$ 2,698,660
Accrued Expenses	4,692,011	-	-	-	4,575,907	(244,116)	9,023,802
Intercompany Payables	(3,424,185)	-	6,052,835	4,929,523	1,302,440	(8,860,613)	-
Refundable Grant Advances	23,815,826	-	-	-	499,794	-	24,315,620
Lease Liability - Operating	2,045,682	-	-	-	3,574,286	-	5,619,968
Lease Liability - Financing	-	-	-	-	16,918	-	16,918
Notes Payable	-	-	-	-	1,105,453	(243,812)	861,641
Deferred Compensation	455,472	-	-	-	-	-	455,472
Total Liabilities	<u>29,236,708</u>	<u>-</u>	<u>6,052,835</u>	<u>4,929,523</u>	<u>12,241,931</u>	<u>(9,468,916)</u>	<u>42,992,081</u>
NET ASSETS							
Without Donor Restrictions:							
Operating	44,783,759	9,098,825	-	-	5,890,472	(5,794,021)	53,979,035
Board-Designated	9,143,469	-	-	-	-	-	9,143,469
Total Without Donor Restrictions	<u>53,927,228</u>	<u>9,098,825</u>	<u>-</u>	<u>-</u>	<u>5,890,472</u>	<u>(5,794,021)</u>	<u>63,122,504</u>
With Donor Restrictions	16,235,359	285,230	-	-	-	-	16,520,589
Total Net Assets	<u>70,162,587</u>	<u>9,384,055</u>	<u>-</u>	<u>-</u>	<u>5,890,472</u>	<u>(5,794,021)</u>	<u>79,643,093</u>
Total Liabilities and Net Assets	<u>\$ 99,399,295</u>	<u>\$ 9,384,055</u>	<u>\$ 6,052,835</u>	<u>\$ 4,929,523</u>	<u>\$ 18,132,403</u>	<u>\$ (15,262,937)</u>	<u>\$ 122,635,174</u>

**JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	Jewish Family Service of San Diego			Rady JFS Foundation			CARS, Inc. & Subsidiaries	Elimination	Consolidated
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions		
SUPPORT AND REVENUE									
Charitable Vehicle Sales and Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,578,820	\$ (543,466)	\$ 30,035,354
Government Contracts	81,284,881	-	81,284,881	-	-	-	-	-	81,284,881
Grants and Contributions	9,211,540	10,138,551	19,350,091	-	-	-	-	(491,132)	18,858,959
Investment Return	1,634,962	1,751,363	3,386,325	1,376,574	-	1,376,574	7,892	-	4,770,791
Program Revenue	9,744,523	-	9,744,523	-	-	-	-	(427,630)	9,316,893
Fees and Other Revenue	153,662	-	153,662	-	-	-	1,392,202	(1,878)	1,543,986
Income from Subsidiary	5,589,534	-	5,589,534	-	-	-	1,050,612	(6,640,146)	-
Net Assets Released from Restrictions	7,672,959	(7,672,959)	-	285,230	(285,230)	-	-	-	-
Total Support and Revenue	115,292,061	4,216,955	119,509,016	1,661,804	(285,230)	1,376,574	33,029,526	(8,104,252)	145,810,864
EXPENSES									
Program Services:									
Welcome The Stranger	54,840,723	-	54,840,723	-	-	-	-	-	54,840,723
Basic Needs and Stability	47,573,054	-	47,573,054	-	-	-	-	-	47,573,054
Grants to JFS	-	-	-	391,132	-	391,132	-	(391,132)	-
Vehicle Donation	-	-	-	-	-	-	27,074,538	(4,800,000)	22,274,538
Total Program Services	102,413,777	-	102,413,777	391,132	-	391,132	27,074,538	(5,191,132)	124,688,315
Supporting Services:									
General and Administrative	7,446,882	-	7,446,882	4,269	-	4,269	1,703,227	(729,508)	8,424,870
Fundraising	4,889,861	-	4,889,861	-	-	-	2,726,036	(100,000)	7,515,897
Total Supporting Services	12,336,743	-	12,336,743	4,269	-	4,269	4,429,263	(829,508)	15,940,767
Total Expenses	114,750,520	-	114,750,520	395,401	-	395,401	31,503,801	(6,020,640)	140,629,082
NONOPERATING INCOME (EXPENSE)									
Transfers of Assets	(1,072,607)	-	(1,072,607)	1,072,607	-	1,072,607	-	-	-
CHANGE IN NET ASSETS	(531,066)	4,216,955	3,685,889	2,339,010	(285,230)	2,053,780	1,525,725	(2,083,612)	5,181,782
Net Assets - Beginning of Year	53,927,228	16,235,359	70,162,587	9,098,825	285,230	9,384,055	5,890,472	(5,794,021)	79,643,093
Profit Distributions	-	-	-	-	-	-	(1,180,244)	1,180,244	-
NET ASSETS - END OF YEAR	<u>\$ 53,396,162</u>	<u>\$ 20,452,314</u>	<u>\$ 73,848,476</u>	<u>\$ 11,437,835</u>	<u>\$ -</u>	<u>\$ 11,437,835</u>	<u>\$ 6,235,953</u>	<u>\$ (6,697,389)</u>	<u>\$ 84,824,875</u>

**JEWISH FAMILY SERVICE OF SAN DIEGO
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	Jewish Family Service of San Diego			Rady JFS Foundation			CARS, Inc. & Subsidiaries	Elimination	Consolidated
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions		
SUPPORT AND REVENUE									
Charitable Vehicle Sales and Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,221,845	\$ (447,052)	\$ 27,774,793
Government Contracts	47,933,339	-	47,933,339	-	-	-	-	-	47,933,339
Grants and Contributions	13,935,623	3,249,083	17,184,706	-	-	-	-	(362,605)	16,822,101
Investment Return	1,901,934	449,160	2,351,094	895,742	31,182	926,924	8,074	-	3,286,092
Program Revenue	7,851,066	-	7,851,066	-	-	-	-	(205,988)	7,645,078
Fees and Other Revenue	144,847	-	144,847	-	-	-	200,879	(1,093)	344,633
Income from Subsidiary	4,830,839	-	4,830,839	-	-	-	583,706	(5,414,545)	-
Net Assets Released from Restrictions	4,715,997	(4,715,997)	-	17,492	(17,492)	-	-	-	-
Total Support and Revenue	81,313,645	(1,017,754)	80,295,891	913,234	13,690	926,924	29,014,504	(6,431,283)	103,806,036
EXPENSES									
Program Services:									
Welcome The Stranger	35,041,493	-	35,041,493	-	-	-	-	-	35,041,493
Basic Needs and Stability	32,618,986	-	32,618,986	-	-	-	-	-	32,618,986
Grants to JFS	-	-	-	294,605	-	294,605	-	(294,605)	-
Vehicle Donation	-	-	-	-	-	-	24,561,866	(5,942,862)	18,619,004
Total Program Services	67,660,479	-	67,660,479	294,605	-	294,605	24,561,866	(6,237,467)	86,279,483
Supporting Services:									
General and Administrative	6,774,396	-	6,774,396	3,150	-	3,150	1,952,652	(237,380)	8,492,818
Fundraising	4,821,850	-	4,821,850	-	-	-	2,537,553	(70,000)	7,289,403
Total Supporting Services	11,596,246	-	11,596,246	3,150	-	3,150	4,490,205	(307,380)	15,782,221
Total Expenses	79,256,725	-	79,256,725	297,755	-	297,755	29,052,071	(6,544,847)	102,061,704
NONOPERATING INCOME (EXPENSE)									
Transfers of Assets	(764,597)	-	(764,597)	764,597	-	764,597	-	-	-
CHANGE IN NET ASSETS	1,292,323	(1,017,754)	274,569	1,380,076	13,690	1,393,766	(37,567)	113,564	1,744,332
Net Assets - Beginning of Year	52,634,905	17,253,113	69,888,018	7,718,749	271,540	7,990,289	6,652,320	(6,631,866)	77,898,761
Profit Distributions	-	-	-	-	-	-	(724,281)	724,281	-
NET ASSETS - END OF YEAR	<u>\$ 53,927,228</u>	<u>\$ 16,235,359</u>	<u>\$ 70,162,587</u>	<u>\$ 9,098,825</u>	<u>\$ 285,230</u>	<u>\$ 9,384,055</u>	<u>\$ 5,890,472</u>	<u>\$ (5,794,021)</u>	<u>\$ 79,643,093</u>

**JEWISH FAMILY SERVICE OF SAN DIEGO
SCHEDULE OF AWARD EXPENDITURES OF THE
CONFERENCE ON JEWISH MATERIAL CLAIMS AGAINST GERMANY, INC.
YEAR ENDED JUNE 30, 2024**

The SERVING OLDER SURVIVORS (SOS) program, funded in part by the Conference on Jewish Claims Against Germany, Inc., helps San Diego's and Orange County's poor and frail Holocaust survivors, many of whom lack family support. Orange County is an expansion program during the fiscal year. If not for SOS, many survivors would go without critically needed assistance, increasing the likelihood of both health and safety risks. During fiscal year 2023 - 2024, the SOS program intensively served 291 survivors, including 37 new to the program and 29 of whom passed away during the fiscal year, with the following:

- Care management, short- and long-term planning, and support for all participants, allowing 99% of clients to remain at home;
- Translation services (Russian, German) to help clients complete and understand forms; and
- Access to other critical JFS services, such as the Hand Up Food Pantry, Foodmobile, JFS Fix-It Service for minor home modifications and repairs, and counseling.

In addition:

- 197 clients received assistance at home through JFS, independent providers and agencies that allowed them to continue living safely at home.
- 172 survivors received emergency financial assistance for things they could not afford, such as dental care, medicine, rental assistance, and taxi vouchers.

Fund	Application Number	Award Amount Received	Award Expenditures		Contract Dates
				07/01/2023-06/30/2024	
GG25	33363	\$ 4,785,569	\$	2,192,103	01/01/2023-12/31/2023
GG26	38187	5,898,700		2,882,315	01/01/2024-12/31/2024
WF14	36756	32,350		11,621	01/01/2023-12/31/2023
WF15	41366	32,350		16,187	01/01/2024-12/31/2024

Jewish Family Service also provided \$186,980 to cover the required match, and an additional \$337,215 as agency contribution for FY 2023-2024.

See auditors' opinion on supplementary information on page 3.



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