

*Financial Report*

*Jewish Family Service  
of Greater New Orleans, Inc.*

*December 31, 2021*



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December 31, 2021 and 2020

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Jewish Family Service of Greater New Orleans, Inc.,  
Metairie, Louisiana.

### **Opinion**

We have audited the accompanying financial statements of Jewish Family Service of Greater New Orleans, Inc. (JFS) which comprise the statement financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JFS as of December 31, 2021, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JFS and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

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

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

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

## **Report on Summarized Comparative Information**

We have previously audited JFS's 2020 financial statements, and our report dated March 17, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Program Service Activities (Schedule 1) is presented for purposes of additional analysis 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Bougeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

New Orleans, Louisiana,  
March 28, 2022.

**STATEMENT OF FINANCIAL POSITION****Jewish Family Service of Greater New Orleans, Inc.**  
Metairie, LouisianaDecember 31, 2021  
(with comparative totals for 2020)**ASSETS**

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 388,744	\$ 517,921
Accounts receivable	16,707	13,953
Grants receivable	92,879	85,603
Unconditional promises to give	17,500	17,500
Prepaid expenses	2,776	7,748
Funds held by Jewish Endowment Foundation	2,798,568	2,298,452
Investments	6,000	6,000
Property and equipment, net of accumulated depreciation	<u>9,169</u>	<u>12,744</u>
Total assets	<u><u>\$3,332,343</u></u>	<u><u>\$2,959,921</u></u>

**LIABILITIES AND NET ASSETS**

<b>Liabilities</b>		
Accounts payable	\$ 5,106	\$ 13,786
Accrued vacation	26,216	25,421
Other liabilities	<u>-</u>	<u>11,835</u>
Total liabilities	<u>31,322</u>	<u>51,042</u>
<b>Net Assets</b>		
Without donor restrictions:		
Undesignated	449,285	552,094
Board designated	<u>2,798,568</u>	<u>2,298,452</u>
	3,247,853	2,850,546
With donor restrictions	<u>53,168</u>	<u>58,333</u>
Total net assets	<u>3,301,021</u>	<u>2,908,879</u>
Total liabilities and net assets	<u><u>\$3,332,343</u></u>	<u><u>\$2,959,921</u></u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES****Jewish Family Service of Greater New Orleans, Inc.**  
Metairie, LouisianaFor the year ended December 31, 2021  
(with comparative totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2021	2020
<b>Revenues and Other Support</b>				
Program service fees	\$ 334,973	\$ -	\$ 334,973	\$ 376,601
Contributions	396,582	-	396,582	258,482
Grant income	766,995	35,668	802,663	770,627
United Way grants and designations	22,979	17,500	40,479	36,836
Paycheck Protection Program loan forgiveness	-	-	-	197,800
In-kind revenue	5,000	-	5,000	3,868
Investment income, net	296,645	-	296,645	236,109
Miscellaneous	8,141	-	8,141	15,680
Total revenues and other support	1,831,315	53,168	1,884,483	1,896,003
Net assets released from restrictions	58,333	(58,333)	-	-
Total revenues, other support, and net assets released from restrictions	1,889,648	(5,165)	1,884,483	1,896,003
<b>Expenses</b>				
Program services:				
Case management	301,709	-	301,709	261,235
Catch-A-Cab	15,816	-	15,816	23,449
Counseling	334,563	-	334,563	297,492
Education	52,128	-	52,128	52,298
Financial Resource Center	80,350	-	80,350	38,160
Lifeline	179,519	-	179,519	187,952
Teen Life Counts	140,811	-	140,811	93,762
Adoption	1,213	-	1,213	4,592
Other	29,506	-	29,506	16,027
General and administrative	205,611	-	205,611	224,618
Fundraising	151,115	-	151,115	220,267
Total expenses	1,492,341	-	1,492,341	1,419,852
<b>Change in Net Assets</b>	397,307	(5,165)	392,142	476,151
<b>Net Assets</b>				
Beginning of year	2,850,546	58,333	2,908,879	2,432,728
End of year	<u>\$3,247,853</u>	<u>\$53,168</u>	<u>\$3,301,021</u>	<u>\$2,908,879</u>

See notes to financial statements.



STATEMENT OF FUNCTIONAL EXPENSES

Jewish Family Service of Greater New Orleans, Inc.  
Metairie, Louisiana

For the year ended December 31, 2021

	Program Services										General And Administrative		
	Case Management	Catch-A-Cab	Counseling	Education	Financial Resource Center	Lifeline	Teen Life Counts	Adoption	Other	Totals	Fundraising	Totals	
Advertising and promotion	\$ 520	\$ 173	\$ 2,354	\$ 520	\$ 607	\$ 946	\$ 8,934	\$ -	\$ 175	\$ 14,229	\$ 2,255	\$ 18,045	
Board expenses	1	-	3	1	1	1	1	-	-	8	4	15	
Conferences and meetings	29	10	109	29	33	24	213	-	9	456	124	666	
Contract workers	2,405	91	1,050	4,174	320	11,118	16,397	625	91	36,271	1,187	38,280	
Employee benefits	3,004	3,264	23,985	9,791	11,423	7,357	6,411	-	3,264	68,499	42,427	140,299	
Equipment and maintenance	762	254	2,921	762	889	635	635	-	254	7,112	3,302	12,700	
Financial Resource Center	-	-	-	-	24,994	-	-	-	-	24,994	-	24,994	
Insurance	1,134	378	4,347	1,134	1,323	945	945	-	378	10,584	4,914	18,900	
Lease expense	208	69	798	208	243	174	174	-	69	1,943	903	3,471	
Lifeline fees	-	-	-	-	-	56,777	-	-	-	56,777	-	56,777	
Miscellaneous	305	102	1,177	305	355	254	254	-	102	2,854	1,320	5,088	
Occupancy	6,953	2,318	26,654	6,953	8,112	5,794	5,794	-	2,318	64,896	30,131	117,393	
Office expense	1,487	172	2,935	517	603	430	515	-	206	6,865	2,238	10,653	
Organization dues	335	112	1,285	335	391	359	629	-	112	3,558	1,453	6,017	
Payroll taxes	19,578	579	18,044	1,738	2,027	6,655	7,041	-	643	56,305	7,530	69,111	
Postage and delivery	738	45	518	135	158	120	158	-	570	2,442	586	3,433	
Printing and publications	248	25	320	76	89	360	917	-	1,351	3,386	331	3,946	
Professional fees	822	274	3,151	822	959	685	685	-	274	7,672	3,562	13,700	
Program expense	60	-	284	780	-	195	569	588	10,719	13,195	-	13,195	
Salaries	243,181	7,200	235,830	21,599	25,199	82,414	87,236	-	8,187	710,846	93,597	870,053	
Travel	15,394	-	-	-	-	2,198	899	-	-	18,491	-	22,717	
Utilities	4,330	678	7,976	2,035	2,374	1,899	2,225	-	713	22,230	8,817	39,313	
Total expenses before depreciation	301,494	15,744	333,741	51,914	80,100	179,340	140,632	1,213	29,435	1,133,613	204,681	1,488,766	
Depreciation of property and equipment	215	72	822	214	250	179	179	-	71	2,002	930	3,575	
Total expenses on statement of activities	\$ 301,709	\$ 15,816	\$ 334,563	\$ 52,128	\$ 80,350	\$ 179,519	\$ 140,811	\$ 1,213	\$ 29,506	\$ 1,135,615	\$ 205,611	\$ 1,492,341	

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Jewish Family Service of Greater New Orleans, Inc.  
Metairie, Louisiana

For the year ended December 31, 2020

	Program Services										General And		
	Case Management	Catch-A-Cab	Counseling	Education	Financial Resource Center	Lifeline	Teen Life Counts	Adoption	Other	Totals	Administrative	Fundraising	Totals
Advertising and promotion	\$ 754	\$ 313	\$ 2,236	\$ 626	\$ 313	\$ 641	\$ 313	\$ 147	\$ 136	\$ 5,479	\$ 3,024	\$ 2,815	\$ 11,318
Board expenses	(46)	(20)	(119)	(40)	(20)	(20)	(20)	-	(7)	(292)	(192)	(178)	(662)
Conferences and meetings	108	46	278	93	46	46	205	-	15	837	448	418	1,703
Contract workers	858	143	857	5,386	143	11,303	143	4,000	48	22,881	1,380	1,285	25,546
Employee benefits	2,627	4,062	15,058	8,124	4,062	2,639	4,042	-	1,354	41,968	39,266	36,558	117,792
Equipment and maintenance	152	65	390	130	65	65	65	-	22	954	629	585	2,168
Insurance	1,240	531	3,189	1,063	531	531	531	-	177	7,793	5,137	4,783	17,713
Lease expense	244	105	628	209	105	105	105	-	35	1,536	1,012	942	3,490
Lifeline fees	-	-	-	-	-	76,445	-	-	-	76,445	-	-	76,445
Miscellaneous	(2,287)	143	859	286	143	143	143	-	47	(523)	1,383	1,288	2,148
Occupancy	8,496	3,641	21,846	7,282	3,641	3,641	3,641	-	1,214	53,402	35,197	32,769	121,368
Office expense	1,540	193	1,531	386	193	589	605	-	64	5,101	1,865	6,637	13,603
Organization dues	417	179	1,073	358	179	179	979	-	60	3,424	1,729	1,610	6,763
Payroll taxes	16,847	891	16,618	1,783	891	6,565	5,916	-	297	49,808	8,616	8,022	66,446
Postage and delivery	189	81	486	162	81	114	89	4	542	1,748	784	2,321	4,853
Printing and publications	248	106	637	212	106	106	942	-	1,333	3,690	1,027	3,732	8,449
Professional fees	1,176	504	3,024	1,008	504	504	504	-	168	7,392	4,872	4,536	16,800
Program expense	807	310	2,908	916	15,021	496	1,152	441	5,870	27,921	925	861	29,707
Salaries	216,129	11,341	220,938	22,682	11,341	80,265	72,391	-	4,380	639,467	109,632	103,459	852,558
Travel	7,841	1	117	2	1	2,618	939	-	-	11,519	10	9	11,538
Utilities	3,645	707	4,294	1,415	707	870	970	-	236	12,844	6,837	6,850	26,531
Total expenses before depreciation	260,985	23,342	296,848	52,083	38,053	187,845	93,655	4,592	15,991	973,394	223,581	219,302	1,416,277
Depreciation of property and equipment	250	107	644	215	107	107	107	-	36	1,573	1,037	965	3,575
Total expenses on statement of activities	\$261,235	\$23,449	\$297,492	\$52,298	\$38,160	\$187,952	\$93,762	\$4,592	\$16,027	\$974,967	\$224,618	\$220,267	\$1,419,852

See notes to financial statements.

**STATEMENT OF CASH FLOWS****Jewish Family Service of Greater New Orleans, Inc.**  
Metairie, LouisianaFor the year ended December 31, 2021  
(with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$392,142	\$476,151
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Paycheck Protection Program loan forgiveness	-	197,800
Depreciation	3,575	3,575
(Increase) decrease in:		
Accounts receivable	(2,754)	(5,842)
Grants receivable	(7,276)	22,125
Prepaid expenses	4,972	(5,419)
Increase (decrease) in:		
Accounts payable	(8,680)	10,399
Accrued vacation	795	4,613
Other liabilities	(11,835)	11,835
Net cash provided by operating activities	<u>370,939</u>	<u>715,237</u>
<b>Cash Flows From Investing Activities</b>		
Investment increase on funds held at Jewish Endowment Foundation	(500,116)	(233,552)
Purchase of property and equipment	<u>-</u>	<u>(6,467)</u>
Net cash used in investing activities	<u>(500,116)</u>	<u>(240,019)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from Paycheck Protection Program loan	<u>-</u>	<u>(197,800)</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	(129,177)	277,418
<b>Cash and Cash Equivalents</b>		
Beginning of year	<u>517,921</u>	<u>240,503</u>
End of year	<u><u>\$388,744</u></u>	<u><u>\$517,921</u></u>
See notes to financial statements.		

**NOTES TO FINANCIAL STATEMENTS****Jewish Family Service of Greater New Orleans, Inc.**  
Metairie, Louisiana

December 31, 2021 and 2020

**Note 1 - NATURE OF ACTIVITIES**

Jewish Family Service of Greater New Orleans, Inc. (JFS) provides social services and mental health support to people of all ages and backgrounds through counseling, in-home support for the elderly and disabled, and mental health education including an adolescent suicide prevention program.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a. Basis of Accounting**

The financial statements of JFS are prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

**b. Basis of Presentation**

JFS reports information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, based on donor stipulations and restrictions placed on contributions, if any. Accordingly, net assets of JFS and changes therein are classified and reported as follows:

**Net Assets without Donor Restrictions**

**Undesignated** - net assets that are not subject to donor-imposed stipulations.

**Board Designated** - net assets that are to be used for program activities.

**Net Assets with Donor Restrictions** - Net assets subject to donor-imposed stipulations that will be met either by actions of JFS and/or the passage of time, or net assets that are maintained permanently by the JFS and not expended.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**d. Cash and Cash Equivalents**

For purposes of reporting cash flows, JFS considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**e. Contributions**

Contributions are recorded as assets with donor restrictions or assets without donor restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by a donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting periods are reported as unrestricted support.

Donated services and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

**f. Revenue Recognition**

*Revenues from Exchange Transactions:* JFS recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, "*Revenues from Contracts with Customers*", as amended. ASU No. 2014-09 applies to exchange transactions with customers and donors that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. JFS records the following exchange transaction revenue in its Statements of Activities for the years ended December 31, 2021 and 2020:

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f. Revenue Recognition (Continued)**

**Special Events**

JFS conducts an annual fundraiser in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event-the exchange component, and a portion represents a contribution to JFS. The fair value of meals and entertainment provided at the event is measured at the actual cost to JFS. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs, which ultimately benefit the donor rather than JFS, are recorded as fundraising expenses in the Statements of Activities. The performance obligation is delivery of the event. FASB ASU No. 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, JFS separately presents the exchange and contribution components of the gross proceeds from special events. There were no special events during the years ended December 31, 2021 and 2020 due to the COVID-19 pandemic.

**g. Promises to Give**

Unconditional promises to give are recognized when the donor makes a promise to give to JFS that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of December 31, 2020, JFS conditional promises to give were \$100,000. There were no conditional promises to give during the year ended December 31, 2021.

Unconditional promises are recorded net of an allowance for doubtful pledges estimated by management. As of December 31, 2021 and 2020, management believes that promises to give are fully collectible.

**h. Allowance for Doubtful Accounts**

The allowance for doubtful accounts is estimated based on management's estimate. As of December 31, 2021 and 2020, there is no allowance as management deems all accounts to be collectible.

**i. Funds Held by Jewish Endowment Foundation and Investments**

Pooled accounts managed by the Jewish Endowment Foundation and investments are reported at fair market value, including any pro rata gains and losses.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**j. Property and Equipment**

Property and equipment are recorded at cost. Donated property is recorded at its fair market value at the date of donation. Repairs and maintenance are charged to expense as incurred; major renewals and replacements and betterments \$5,000 or greater are capitalized. Depreciation is computed using the straight-line method over the estimated useful life of each asset which range from five to ten years.

**k. Donated Services of Volunteers**

A substantial number of volunteers have donated significant amounts of their time in the conduct of program services on the behalf of JFS. However, no amounts have been included in the financial statements for donated services since no objective basis is available to measure the value of services.

**l. Advertising and Promotion**

Advertising and promotion costs are expensed as they are incurred. Advertising costs totaled \$18,045 and \$11,318 for the years ended December 31, 2021 and 2020, respectively.

**m. Methods Used For Allocation of Expenses**

Most of the expenses can be directly allocated to one of the programs or supporting function. The financial statements also report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated based on office space used for each program. Salaries and benefits are allocated on the basis of estimates of time and effort. Employees documented their time and effort weekly over a four month period per program. JFS averaged the employees' time per program to determine the functional expense allocation.

**n. Organization and Income Taxes**

JFS is a nonprofit corporation organized in 1979 under the laws of the State of Louisiana. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax under the authority of R.S.47:121(5).

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**n. Organization and Income Taxes (Continued)**

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of December 31, 2021, management of JFS believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years ended December 31, 2018 and later remain subject to examination by the taxing authorities.

**o. Recently Issued Accounting Standards**

**Leases**

In February 2016, the FASB issued ASU No. 2016-02, "*Leases*" (Topic 842). This ASU requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the Statement of Financial Position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the Statement of Activities and the Statement of Cash Flows will be substantially unchanged from the existing lease accounting guidance. The ASU is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. JFS is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

In November 2021, the FASB issued ASU No. 2021-09, "*Lease Discount Rate for Lessees That Are Not Public Business Entities*" (Topic 842). This ASU currently provides lessees that are not public business entities with a practical expedient that allows them to elect, as an accounting policy, to use a risk-free rate as the discount rate for all leases. The amendments in this update allow those lessees to make the risk-free rate election by class of underlying asset, rather than at the entity-wide level. An entity that makes the risk-free rate election is required to disclose which asset classes it has elected to apply a risk-free rate. The amendments require that when the rate implicit in the lease is readily determinable for any individual lease, the lessee use that rate (rather than a risk-free rate or an incremental borrowing rate), regardless of whether it has made the risk-free rate election. Entities that have not yet adopted Topic 842 as of November 11, 2021, are required to adopt the amendments in this update at the same time that they adopt Topic 842.



**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**o. Recently Issued Accounting Standards (Continued)**

**Contributed Nonfinancial Assets**

In September 2020, the FASB issued ASU No. 2020-07, "*Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*" (Topic 958) the amendments in this update apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes property and equipment (such as land, buildings, and equipment), use of property and equipment utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The ASU is effective for fiscal years beginning after June 15, 2021. JFS is completely evaluating the full effect that the adoption of this standard will have on its financial statements.

**p. Subsequent Events**

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through March 28, 2022, which is the date the financial statements were available to be issued.

**Note 3 - CONCENTRATION OF CREDIT RISK**

JFS maintains its cash with a financial institution where the accounts are insured by Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2021, there was a balance of approximately \$31,000 in excess of the insured limits.

**Note 4 - UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give as of December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Unconditional promises to give:		
United Way	\$17,500	\$17,500
Less allowance for uncollectible promises to give	<u>-</u>	<u>-</u>
Net unconditional promises to give	<u>\$17,500</u>	<u>\$17,500</u>
Amount due in:		
Less than one year	\$17,500	\$17,500
One to five years	<u>-</u>	<u>-</u>
Totals	<u>\$17,500</u>	<u>\$17,500</u>

**Note 5 - FUNDS HELD BY THE JEWISH ENDOWMENT FOUNDATION AND INVESTMENTS**

Funds and investments held as of December 31, 2021 and 2020 are comprised of the following:

	<u>2021</u>	<u>2020</u>
Funds held at the Jewish Endowment Foundation	\$ 2,798,568	\$ 2,298,452
Israel bonds	<u>6,000</u>	<u>6,000</u>
Totals	<u>\$ 2,804,568</u>	<u>\$ 2,304,452</u>

**Note 5 - FUNDS HELD BY THE JEWISH ENDOWMENT FOUNDATION AND INVESTMENTS (Continued)**

Investment income for the years ended December 31, 2021 and 2020 is summarized as follows:

	<u>2021</u>	<u>2020</u>
Investment income -		
Net unrealized and		
realized gain (loss)	\$270,322	\$206,897
Interest and dividends	40,001	42,249
Investment fees	<u>(13,678)</u>	<u>(13,037)</u>
Net investment		
income (loss)	<u>\$296,645</u>	<u>\$236,109</u>

**Note 6 - FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under the Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements are described as follows:

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

Level 2 - Inputs to the valuation methodology include:

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

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

**Note 6 - FAIR VALUE MEASUREMENTS (Continued)**

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

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

Investments held in pooled accounts managed by Jewish Endowment Foundation are included in Level 2 of the fair value hierarchy as the investment pool is valued using the net asset value as reported by the custodian. The net asset values are determined based on the fair values of the underlying investments. The custodian of this portfolio uses independent pricing services, where available, to value the securities included in this portfolio. If an independent pricing service does not value a security or the value is not, in the view of the custodian, representative of the market value, the custodian will attempt to obtain a price quote from a secondary pricing source, which may include third party brokers, investment advisers, and principal market makers or affiliated pricing services. If a secondary source is unable to provide a price, the custodian may obtain a quotation from the counterparty that sold the security. JFS uses the market approach for valuing bonds which are within the Level 1 fair value hierarchy.

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

**Note 6 - FAIR VALUE MEASUREMENTS (Continued)**

As of December 31, 2021 and 2020, assets measured at fair value on a recurring basis are comprised of and determined as follows:

Description	Fair Value as of December 31, 2021	Based on		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Pooled accounts managed by the Jewish Endowment Foundation	\$ 2,798,568	\$ -	\$ 2,798,568	\$ -
Israel bonds	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,804,568</u>	<u>\$ 6,000</u>	<u>\$ 2,798,568</u>	<u>\$ -</u>

Description	Fair Value as of December 31, 2020	Based on		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Pooled accounts managed by the Jewish Endowment Foundation	\$ 2,298,452	\$ -	\$ 2,298,452	\$ -
Israel bonds	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,304,452</u>	<u>\$ 6,000</u>	<u>\$ 2,298,452</u>	<u>\$ -</u>

As of December 31, 2021 and 2020, there were no assets measured at fair value on a non-recurring basis.

**Note 7 - PROPERTY AND EQUIPMENT**

As of December 31, 2021 and 2020, property and equipment consists of the following:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 48,031	\$ 48,031
Less accumulated depreciation	<u>(38,862)</u>	<u>(35,287)</u>
Net property and equipment	<u>\$ 9,169</u>	<u>\$ 12,744</u>

Depreciation expense for both years ended December 31, 2021 and 2020 was \$3,575.

**Note 8 - LINE OF CREDIT**

On August 31, 2017, JFS negotiated a \$100,000 line of credit which matures on August 31, 2022. The line of credit is unsecured. Borrowings bear interest at a rate equal to the Wall Street Journal Prime plus 1.75% (5% as of December 31, 2021 and 2020). There were no outstanding borrowings on the line of credit as of December 31, 2021 and 2020.

**Note 9 - DESIGNATED NET ASSETS**

JFS's Board of Directors has designated part of the net assets without donor restrictions for the following purpose as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Program activities	<u>\$ 2,798,568</u>	<u>\$ 2,298,452</u>

**Note 10 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of December 31, 2021 and 2020 are restricted for the following purposes or periods:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
Teen Life Counts	\$ 16,668	\$ 40,833
Senior Counseling	19,000	-
Subject to the passage of time:		
For periods after		
December 31, 2021 and 2020,		
respectively	<u>17,500</u>	<u>17,500</u>
Total net assets with		
donor restrictions	<u>\$ 53,168</u>	<u>\$ 58,333</u>

**Note 10 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

Net assets released from restrictions for the years ended December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Purpose restriction satisfied:		
Teen Life Counts	\$ 40,833	\$ 51,667
Passage of time	<u>17,500</u>	<u>17,500</u>
	<u>\$ 58,333</u>	<u>\$ 69,167</u>

**Note 11 - IN-KIND DONATIONS**

JFS records the value of in-kind donations when the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which would typically need to be purchased if not provided by donation.

The fair value of in-kind support and the corresponding expenses for the years ended December 31, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Advertising costs	<u>\$ 5,000</u>	<u>\$ 3,868</u>

**Note 12 - PAYCHECK PROTECTION PROGRAM LOAN FORGIVENESS**

On April 21, 2020, the JFS received a \$197,800 loan from Hancock Whitney Bank under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). Interest on the loan is 1%. This loan was repaid by the SBA (forgiven) on January 19, 2021 and all expenditures paid from the loan proceeds were approved as eligible for loan forgiveness under the requirements of the PPP. The funding was recognized as revenue in the year ended December 31, 2020.

**Note 13 - LEASE COMMITMENT**

JFS leases office space in Metairie, Louisiana. Monthly lease payments are \$9,254. The lease expired April 30, 2021 and was renewed.

Lease expense totaled \$115,887 and \$121,368 for the years ended December 31, 2021 and 2020, respectively, and is included in occupancy expense on the Statement of Functional Expenses. Future lease commitments are as follows:

<u>Year Ending December 31,</u>	<u>Amounts</u>
2022	\$ 118,780
2023	118,780
2024	120,760
2025	121,749
2026	<u>40,583</u>
	<u>\$520,652</u>

**Note 14 - AVAILABILITY OF FINANCIAL ASSETS**

As part of JFS'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, JFS invests cash in excess of daily requirements in investments. To help manage unanticipated liquidity needs, JFS has a committed line of credit in the amount of \$100,000. Although JFS does not intend to spend from its investment funds other than amounts appropriated for general expenditures as part of the Board of Director's designation, amounts from its investment funds could be made available if necessary.

JFS receives grants and contributions with donor time and purpose restrictions. In addition, JFS generates revenue and receives support without donor restrictions. Contributions without donor restrictions, Catch-A-Cab program revenue, Counseling program revenue, Education program revenue, Lifeline program revenue, investment income without donor restrictions, and miscellaneous income are considered to be available to meet cash needs for general expenditures. General expenditures include Case Management, Catch-A-Cab, Counseling, Education, Financial Resource Center, Lifeline, Teen Life Counts, general and administrative and fundraising expenses. Annual operations are defined as activities occurring during, and included in the budget for, the upcoming fiscal year.



**Note 14 - AVAILABILITY OF FINANCIAL ASSETS (Continued)**

The following table represents financial assets available for general expenditures within one year as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Financial assets		
Cash and cash equivalents	\$ 388,744	\$ 517,921
Accounts receivable	16,707	13,953
Grants receivable	92,879	85,603
Unconditional promises to give	17,500	17,500
Investments	<u>2,804,568</u>	<u>2,304,452</u>
Total financial assets	<u>3,320,398</u>	<u>2,939,429</u>
Less amounts unavailable for general expenditures within one year, due to:		
Contractual or donor imposed restrictions:		
Restricted by donors with time or purpose restriction	(53,168)	(58,333)
Board designations:		
Program activities	<u>(2,798,568)</u>	<u>(2,298,452)</u>
Total financial assets not available to be used within one year	<u>(2,851,736)</u>	<u>(2,356,785)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 468,662</u>	<u>\$ 582,644</u>

**Note 15 - EMPLOYEE QUALIFIED RETIREMENT PLAN**

JFS has a 403(b) salary deferral plan (the "Plan") covering substantially all employees. JFS will contribute 4% of gross bimonthly wages for eligible employees after completion of one year of service. Additionally, JFS will also match 50% of each participant's elective deferral up to 3% of each participant's gross bimonthly wages. JFS's maximum contribution to an employee's retirement plan is 5.5% each year.

Pension plan expense for the years ended December 31, 2021 and 2020 totaled \$31,670 and \$32,379, respectively.

**Note 16 - RISK MANAGEMENT**

JFS is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the years ended December 31, 2021 and 2020.

**Note 17 - RISKS AND UNCERTAINTIES**

In general, investment securities are exposed to various risks, such as interest rate, currency, credit, and market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investments will occur in the near term and would materially affect the market value of investments held by JFS.

## **SUPPLEMENTARY INFORMATION**

SCHEDULE OF PROGRAM SERVICE ACTIVITIES

Jewish Family Service of Greater New Orleans, Inc.  
New Orleans, Louisiana

For the year ended December 31, 2021  
(with comparative totals for 2020)

	Program Services									Totals	
	Case Management	Catch-A-Cab	Counseling	Education	Financial Resource Center	Lifeline	Teen Life Counts	Adoption	Passover	2021	2020
Revenues and Other Support											
Program service fees	\$ -	\$ 2,070	\$153,404	\$ 15,018	\$ -	\$163,281	\$ -	\$ 1,200	\$ -	\$ 334,973	\$ 376,601
Contributions	-	-	-	-	-	-	-	-	29,983	29,983	25,051
United Way grants and designations	-	-	35,478	-	-	-	-	-	-	35,478	36,836
Grant income	489,530	-	52,283	-	12,000	-	107,500	-	-	661,313	629,026
Investment income	-	-	7,807	7,369	176,497	49,261	38,042	-	-	278,976	221,920
Total revenues and other support	489,530	2,070	248,972	22,387	188,497	212,542	145,542	1,200	29,983	1,340,723	1,289,434
Program Expenses	301,709	15,816	334,563	52,128	80,350	179,519	140,811	1,213	29,506	1,135,615	974,967
Revenues and Other Support Over (Under) Program Expenses	\$187,821	\$(13,746)	\$(85,591)	\$(29,741)	\$108,147	\$ 33,023	\$ 4,731	\$ (13)	\$ 477	\$ 205,108	\$ 314,467