

**EISNERAMPER**

**CENTER FOR JEWISH HISTORY, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2022 and 2021**



# CENTER FOR JEWISH HISTORY, INC.

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## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
Center for Jewish History, Inc.

### **Report on the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the Center for Jewish History, Inc. (the "Center"), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for each of the years 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 the Center for Jewish History, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center 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 Financial Statements***

The Center's 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditors' 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 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

*EisnerAmper LLP*

EISNERAMPER LLP  
New York, New York  
June 12, 2023



**CENTER FOR JEWISH HISTORY, INC.**

**Statements of Financial Position**

	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 772,438	\$ 5,797,577
Pledges receivable, net	741,737	2,223,759
Accounts receivable	11,938	240,582
Government grants receivable	1,432,390	46,650
Due from Partner organizations, net	254,635	275,776
Investments	15,740,178	14,409,817
Right-of-use asset - operating lease	55,224	-
Beneficial interest in remainder trust	572,184	545,536
Prepaid expenses and other assets	306,970	306,407
Property and equipment, net	<u>27,375,983</u>	<u>28,620,880</u>
	<u>\$ 47,263,677</u>	<u>\$ 52,466,984</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 292,014	\$ 792,954
Funds received in advance	64,406	322,788
Annuities payable	44,453	49,821
Paycheck Protection Program loan payable	-	818,038
Lease liability	<u>55,224</u>	<u>-</u>
Total liabilities	<u>456,097</u>	<u>1,983,601</u>
Commitments, contingency, and other uncertainty (see Note P)		
Net assets:		
Without donor restrictions:		
Undesignated and available for general activities	<u>31,107,732</u>	<u>31,387,994</u>
With donor restrictions:		
Purpose restrictions:		
Time restricted for future periods	434,944	1,541,921
Perpetual in nature	<u>9,311,593</u>	<u>9,310,593</u>
Total net assets with donor restrictions	<u>15,699,848</u>	<u>19,095,389</u>
Total net assets	<u>46,807,580</u>	<u>50,483,383</u>
	<u>\$ 47,263,677</u>	<u>\$ 52,466,984</u>

See notes to financial statements.

# CENTER FOR JEWISH HISTORY, INC.

## Statements of Activities

	Year Ended December 31,					
	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Public support:</b>						
Contributions	\$ 1,585,187	\$ 1,032,422	\$ 2,617,609	\$ 2,480,163	\$ 4,014,077	\$ 6,494,240
Government grants	1,118,059	604,813	1,722,872	-	361,454	361,454
Special events (net of direct benefit to donors of \$70,498 and \$0 in 2022 and 2021, respectively)	<u>565,860</u>	<u>-</u>	<u>565,860</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total public support	<u>3,269,106</u>	<u>1,637,235</u>	<u>4,906,341</u>	<u>2,482,163</u>	<u>4,375,531</u>	<u>6,857,694</u>
<b>Investment and other revenues:</b>						
Net investment income, spending rate	-	548,069	548,069	-	661,902	661,902
Facility services income	1,510,198	-	1,510,198	1,485,975	-	1,485,975
Reimbursements and other revenues	<u>263,593</u>	<u>-</u>	<u>263,593</u>	<u>395,919</u>	<u>-</u>	<u>395,919</u>
Total investment and other revenues	<u>1,773,791</u>	<u>548,069</u>	<u>2,321,860</u>	<u>1,881,894</u>	<u>661,902</u>	<u>2,543,796</u>
Total public support and revenues before transfers and releases from restrictions	<u>5,042,897</u>	<u>2,185,304</u>	<u>7,228,201</u>	<u>4,364,057</u>	<u>5,037,433</u>	<u>9,401,490</u>
Net assets released from restrictions	<u>3,208,426</u>	<u>(3,208,426)</u>	<u>-</u>	<u>2,106,833</u>	<u>(2,106,833)</u>	<u>-</u>
Total support and revenues	<u>8,251,323</u>	<u>(1,023,122)</u>	<u>7,228,201</u>	<u>6,470,890</u>	<u>2,930,600</u>	<u>9,401,490</u>
<b>Expenses:</b>						
Program services:						
Academic and related programs	787,353	-	787,353	472,096	-	472,096
Archives and library	2,893,509	-	2,893,509	2,555,394	-	2,555,394
Building and office operations	<u>3,917,415</u>	<u>-</u>	<u>3,917,415</u>	<u>3,783,101</u>	<u>-</u>	<u>3,783,101</u>
Total program services	<u>7,598,277</u>	<u>-</u>	<u>7,598,277</u>	<u>6,810,591</u>	<u>-</u>	<u>6,810,591</u>
Supporting services:						
Management and general	1,115,847	-	1,115,847	977,805	-	977,805
Fund-raising	<u>662,147</u>	<u>-</u>	<u>662,147</u>	<u>571,500</u>	<u>-</u>	<u>571,500</u>
Total supporting services	<u>1,777,994</u>	<u>-</u>	<u>1,777,994</u>	<u>1,549,305</u>	<u>-</u>	<u>1,549,305</u>
Total expenses	<u>9,376,271</u>	<u>-</u>	<u>9,376,271</u>	<u>8,359,896</u>	<u>-</u>	<u>8,359,896</u>
Change in net assets, before non-operating activities	(1,124,948)	(1,023,122)	(2,148,070)	(1,889,006)	2,930,600	1,041,594
<b>Non-operating activities:</b>						
Net investment (loss) income, net of authorized spending rate (see Note C)	-	(2,372,419)	(2,372,419)	-	863,085	863,085
Return of grant funds	-	-	-	(275,000)	-	(275,000)
Gain on loan forgiveness	818,038	-	818,038	818,038	-	818,038
Changes in values of split-interest agreements	<u>26,648</u>	<u>-</u>	<u>26,648</u>	<u>12,992</u>	<u>-</u>	<u>12,992</u>
<b>Change in net assets</b>	<u>(280,262)</u>	<u>(3,395,541)</u>	<u>(3,675,803)</u>	<u>(1,332,976)</u>	<u>3,793,685</u>	<u>2,460,709</u>
Net assets, beginning of year	<u>31,387,994</u>	<u>19,095,389</u>	<u>50,483,383</u>	<u>32,720,970</u>	<u>15,301,704</u>	<u>48,022,674</u>
<b>Net assets, end of year</b>	<u>\$ 31,107,732</u>	<u>\$ 15,699,848</u>	<u>\$ 46,807,580</u>	<u>\$ 31,387,994</u>	<u>\$ 19,095,389</u>	<u>\$ 50,483,383</u>

See notes to financial statements.

## CENTER FOR JEWISH HISTORY, INC.

### Statement of Functional Expenses Year Ended December 31, 2022

(with summarized financial information for December 31, 2021)

	Program Services				Supporting Services			Total	
	Academic and Related Programs	Archives and Library	Building and Office Operations	Total Program Services	Management and General	Fund- raising	Total Supporting Services	2022	2021
Salaries	\$ 360,741	\$ 1,435,932	\$ 942,279	\$ 2,738,952	\$ 735,239	\$ 328,358	\$ 1,063,597	\$ 3,802,549	\$ 3,437,824
Payroll taxes and employee benefits	<u>67,114</u>	<u>349,619</u>	<u>208,020</u>	<u>624,753</u>	<u>119,986</u>	<u>56,210</u>	<u>176,196</u>	<u>800,949</u>	<u>650,510</u>
Total salaries and related expenses	427,855	1,785,551	1,150,299	3,363,705	855,225	384,568	1,239,793	4,603,498	4,088,334
Professional fees	13,327	62,781	10,919	87,027	127,605	8,561	136,166	223,193	118,644
Consultants	5,500	51,722	80,851	138,073	10,284	148,574	158,858	296,931	251,510
Building maintenance and utilities	35	3,500	630,978	634,513	-	-	-	634,513	532,650
Security	-	-	493,059	493,059	-	-	-	493,059	402,996
Telephone and internet	-	-	43,325	43,325	-	-	-	43,325	47,014
Travel and entertainment	10,268	6,196	707	17,171	4,188	66,178	70,366	87,537	10,823
Conferences and training	9,593	1,826	-	11,419	3,470	49	3,519	14,938	3,507
Temporary help	-	-	-	-	-	-	-	-	54,793
Supplies	1,344	135,183	33,776	170,303	9,480	278	9,758	180,061	52,971
Postage and shipping	38	1,834	3,439	5,311	713	17,995	18,708	24,019	22,513
Printing, films, photos and exhibits	59	41,817	4,057	45,933	580	42,300	42,880	88,813	69,965
IT equipment and expenses	7,046	155,359	98,699	261,104	50,567	37,973	88,540	349,644	318,201
Equipment rental and maintenance	474	22,078	97,612	120,164	6,533	11,421	17,954	138,118	95,747
Advertising	3,982	19,455	31,178	54,615	-	5,138	5,138	59,753	14,814
Insurance	11,167	63,255	121,029	195,451	4,037	252	4,289	199,740	178,923
Interest	-	-	-	-	3,942	-	3,942	3,942	72,573
Fellowships and honorarium	202,388	10,050	-	212,438	-	1,000	1,000	213,438	116,166
Research subscriptions and resources	100	8,223	6,610	14,933	3,031	-	3,031	17,964	8,280
Reserve for uncollectible amounts	-	-	-	-	-	500	500	500	-
Miscellaneous	<u>3,387</u>	<u>1,082</u>	<u>32</u>	<u>4,501</u>	<u>3,840</u>	<u>5,838</u>	<u>9,678</u>	<u>14,179</u>	<u>37,354</u>
Total expenses before depreciation	696,563	2,369,912	2,806,570	5,873,045	1,083,495	730,625	1,814,120	7,687,165	6,497,778
Depreciation	<u>90,790</u>	<u>523,597</u>	<u>1,110,845</u>	<u>1,725,232</u>	<u>32,352</u>	<u>2,020</u>	<u>34,372</u>	<u>1,759,604</u>	<u>1,862,118</u>
Total expenses	787,353	2,893,509	3,917,415	7,598,277	1,115,847	732,625	1,848,492	9,446,769	8,359,896
Less: direct benefit to donors	-	-	-	-	-	(70,498)	(70,498)	(70,498)	-
Total expenses per statements of activities	<u>\$ 787,353</u>	<u>\$ 2,893,509</u>	<u>\$ 3,917,415</u>	<u>\$ 7,598,277</u>	<u>\$ 1,115,847</u>	<u>\$ 662,147</u>	<u>\$ 1,777,994</u>	<u>\$ 9,376,271</u>	<u>\$ 8,359,896</u>

See notes to financial statements.

## CENTER FOR JEWISH HISTORY, INC.

### Statement of Functional Expenses Year Ended December 31, 2021

	Program Services			Supporting Services			Total	
	Academic and Related Programs	Archives and Library	Building and Office Operations	Total Program Services	Management and General	Fund-raising		Total Supporting Services
Salaries	\$ 160,891	\$ 1,332,857	\$ 1,025,512	\$ 2,519,260	\$ 612,569	\$ 305,995	\$ 918,564	\$ 3,437,824
Payroll taxes and employee benefits	<u>42,241</u>	<u>322,529</u>	<u>210,739</u>	<u>575,509</u>	<u>36,016</u>	<u>38,985</u>	<u>75,001</u>	<u>650,510</u>
Total salaries and related expenses	203,132	1,655,386	1,236,251	3,094,769	648,585	344,980	993,565	4,088,334
Professional fees	20,964	210	11,113	32,287	81,622	4,735	86,357	118,644
Consultants	9,162	48,750	71,810	129,722	30,575	91,213	121,788	251,510
Building maintenance and utilities	-	1,900	530,750	532,650	-	-	-	532,650
Security	-	-	402,996	402,996	-	-	-	402,996
Telephone and internet	-	-	47,014	47,014	-	-	-	47,014
Travel and entertainment	177	689	1,312	2,178	4,356	4,289	8,645	10,823
Conferences and training	-	937	-	937	2,570	-	2,570	3,507
Temporary help	-	1,285	8,988	10,273	24,864	19,656	44,520	54,793
Supplies	1,039	9,523	37,275	47,837	4,765	369	5,134	52,971
Postage and shipping	105	36	6,749	6,890	1,173	14,450	15,623	22,513
Printing, films, photos and exhibits	-	36,192	4,725	40,917	124	28,924	29,048	69,965
IT equipment and expenses	1,046	167,647	68,051	236,744	35,737	45,720	81,457	318,201
Equipment rental and maintenance	-	5,542	83,431	88,973	6,774	-	6,774	95,747
Advertising	14,814	-	-	14,814	-	-	-	14,814
Insurance	10,003	56,663	108,415	175,081	3,616	226	3,842	178,923
Interest	-	-	-	-	72,573	-	72,573	72,573
Fellowships and honorarium	113,316	1,850	-	115,166	-	1,000	1,000	116,166
Research subscriptions and resources	-	5,474	548	6,022	2,223	35	2,258	8,280
Reserve for uncollectible amounts	-	-	-	-	-	-	-	-
Miscellaneous	-	<u>500</u>	<u>300</u>	<u>800</u>	<u>22,861</u>	<u>13,693</u>	<u>36,554</u>	<u>37,354</u>
Total expenses before depreciation	373,758	1,992,584	2,619,728	4,986,070	942,418	569,290	1,511,708	6,497,778
Depreciation	<u>98,338</u>	<u>562,810</u>	<u>1,163,373</u>	<u>1,824,521</u>	<u>35,387</u>	<u>2,210</u>	<u>37,597</u>	<u>1,862,118</u>
Total expenses	472,096	2,555,394	3,783,101	6,810,591	977,805	571,500	1,549,305	8,359,896
Less: direct benefit to donors	-	-	-	-	-	-	-	-
Total expenses per statements of activities	<u>\$ 472,096</u>	<u>\$ 2,555,394</u>	<u>\$ 3,783,101</u>	<u>\$ 6,810,591</u>	<u>\$ 977,805</u>	<u>\$ 571,500</u>	<u>\$ 1,549,305</u>	<u>\$ 8,359,896</u>

See notes to financial statements.



# CENTER FOR JEWISH HISTORY, INC.

## Statements of Cash Flows

	Year Ended December 31,	
	2022	2021
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (3,675,803)	\$ 2,460,709
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	1,759,604	1,862,118
Donated securities	(365,934)	(266,841)
Proceeds from the sale of donated securities	365,934	266,841
Net realized gains on investments	(88,063)	(4,230)
Net unrealized losses (gains) on investments	2,210,354	(1,278,534)
Gain on loan forgiveness	(818,038)	(818,038)
Bad debt expense	500	-
Contributions - perpetual in nature	(1,000)	(126,000)
Change in values of split-interest agreements	(26,648)	(12,992)
Non-cash lease amortization	19,794	-
Changes in:		
Pledges receivable, net	1,481,522	(196,210)
Accounts receivable	228,644	(195,379)
Government grants receivable	(1,385,740)	319,109
Due from partner organizations	21,141	171,383
Prepaid expenses and other assets	(563)	(52,018)
Accounts payable and accrued expenses	(480,793)	305,348
Funds received in advance	(258,382)	88,417
Annuities payable	(5,368)	32,814
Lease liability	(19,794)	-
Net cash (used in) provided by operating activities	<u>(1,038,633)</u>	<u>2,556,497</u>
<b>Cash flows from investing activities:</b>		
Purchases of investments	(6,142,221)	(1,432,516)
Proceeds from sales of investments	2,689,569	410,934
Purchases of property and equipment	<u>(534,854)</u>	<u>(573,140)</u>
Net cash used in investing activities	<u>(3,987,506)</u>	<u>(1,594,722)</u>
<b>Cash flows from financing activities:</b>		
Contributions - perpetual in nature	1,000	126,000
Interest payments accrued on note payable	-	31,980
Principle payment note payable	-	(730,022)
Proceeds from Paycheck Protection Program loan payable	<u>-</u>	<u>818,038</u>
Net cash provided by financing activities	<u>1,000</u>	<u>245,996</u>
<b>Change in cash and cash equivalents</b>	<b>(5,025,139)</b>	<b>1,207,771</b>
Cash and cash equivalents, beginning of year	<u>5,797,577</u>	<u>4,589,806</u>
<b>Cash and cash equivalents, end of year</b>	<b>\$ <u>772,438</u></b>	<b>\$ <u>5,797,577</u></b>
<b>Supplemental disclosures of cash flow information:</b>		
Capital expenditures included in accounts payable and accrued expenses	<u>\$ 40,637</u>	<u>\$ 60,784</u>
Noncash lease liability arising from obtaining right-of-use asset	<u>\$ 75,018</u>	<u>\$ -</u>

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**[1] Organization:**

The Center for Jewish History, Inc. (the "Center") is the home of the American Jewish Historical Center ("AJHS"), the American Sephardi Federation ("ASF"), the Leo Baeck Institute ("LBI"), the Yeshiva University Museum ("YUM"), and the YIVO Institute for Jewish Research ("YIVO") (collectively, the "Partners"), each of which is an independently incorporated non-profit institution. The Partners work together at the Center, cooperatively and complementarily, each with its own mission, operations, holdings, governing board, and supporters. Accordingly, none of the Partners' financial statements are consolidated with those of the Center (see related comments in Note H.)

The Center, incorporated in Delaware in 1995, is a not-for-profit corporation exempt from federal income taxes pursuant to Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code"), and from state and local taxes under comparable laws. It has been classified as an organization that is not a private foundation under Section 509(a).

**[2] Basis of accounting:**

The financial statements of the Center have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

**[3] Use of estimates:**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, public support, and revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

**[4] Cash and cash equivalents:**

For financial reporting purposes, the Center considers all highly liquid instruments purchased with a maturity of three months or less, to be cash equivalents, except for those cash equivalent assets held as part of the investment portfolio.

**[5] Investments:**

The Center's investments in mutual funds are reported at their fair values in the statements of financial position based on quoted market prices. Money market funds held as part of the investment portfolio are also included in the balances reported as investments.

The Center's investments, in general, are subject to various risks, such as interest-rate, market and credit risks. Due to the level of risk associated with certain investment vehicles, it is at least reasonably possible that changes in the values of those securities could occur in the near term, and that such changes could materially affect the amounts reported in the financial statements.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted through donor stipulation. Realized gains and losses on investments are determined by comparison of the cost basis to proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investments' costs to the fair value at the end of each year. The earnings from dividends and interest are recognized when earned.

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### [5] Investments: (continued)

Donated securities are recorded at their estimated fair values on the dates of donation. The Center's policy is to sell donated securities immediately and, accordingly, for purposes of the statements of cash flows, donated securities received and the proceeds generated from their sale are included within operating activities.

##### [6] Split-interest agreements:

The Center's investments include deferred-giving vehicles subject to split-interest agreements. The different types of agreements currently maintained by the Center are the charitable gift annuity and the charitable remainder unitrust, as described below:

- A charitable gift annuity is an irrevocable gift under the terms of which the Center agrees to pay a life annuity either to the donor or to a designated beneficiary (see Note F).
- A charitable remainder unitrust gift is a time-restricted contribution that is not available to the Center until after the death of the donor, who, while living, receives an annual payout from the trust based on a fixed percentage of the market value of the invested fund on December 31<sup>st</sup> of each year (see Note B[3]).

##### [7] Property and equipment:

Property and equipment are stated at their original costs at the dates of acquisition, or, if contributed, at their fair values at the dates of donation, net of accumulated depreciation. The Center capitalizes items of property and equipment that have a cost of \$5,000 or more and useful lives greater than one year, whereas minor costs of repairs and maintenance are expensed as incurred. Depreciation is calculated using the straight-line method over estimated useful lives of the related assets, which range from thirty-nine years for building and building improvements; five to seven years for furniture, fixtures and equipment; five years for computer equipment; and ten years for promotional. Land is not depreciated.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and when triggering events indicate that the fair value of the long-lived assets may be less than the carrying value, recognizes any impairment in the year of determination. There were no triggering events occurring to property and equipment requiring management to test for, or adjust for, impairment losses during 2022 or 2021. However, it is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

##### [8] Artwork:

The Center houses an art collection (a rare book room) that is held for scholarly research and exhibition. Each item is catalogued, preserved, and cared for, and activities verifying their existence and assessing their condition are performed regularly. The cost or value of the collection is not included in the statements of financial position. The collection was donated. If items are purchased for the collection, they are recorded as expenses in the year in which the items are purchased. The Center reviews its collections on an ongoing basis and may periodically acquire or de-access items. If deaccessions occur, proceeds received from deaccessions are either imposed restrictions that are board-restricted, based on the restrictions placed on the original gift by the donor, or the lack thereof, and are restricted to fund future acquisitions of collections, or the preservation, conservation, or direct care of other collections.

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### [9] Paycheck Protection Program loan payable:

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The Paycheck Protection Program ("PPP") established by the CARES Act, implemented by the U.S. Small Business Administration ("SBA"), provided businesses, including certain not-for-profit organizations, with funds to pay payroll and other costs during the coronavirus ("COVID-19") pandemic.

There are two acceptable methods for accounting for the PPP funds received under the CARES Act. Entities can elect to treat the funds as a loan or as a conditional contribution. The Center has elected to record the PPP funds as a loan under the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") 470, *Debt*. During the year ended December 31, 2021, the Center applied for and received forgiveness of its loan from the bank and the SBA in the amount of \$818,038. Accordingly, this forgiven amount is reflected as a gain on loan forgiveness on the statements of activities for the year ended December 31, 2021. Also during 2021, the Center applied for and received a second draw PPP loan of \$818,038. The Center's application for forgiveness of the second PPP loan was approved in January 2022 by the bank and the SBA and, accordingly, the Center recognized a gain on forgiveness of the PPP loan of \$818,038 in the statement of activities for the year ended December 31, 2022.

##### [10] Leases:

The Center determines if an arrangement is a lease at inception. For the Center's operating leases, a right-of-use ("ROU") asset represents the Center's right to use an underlying asset for the lease term and an operating lease liability represents an obligation to make lease payments arising from the lease. The ROU asset and lease liability are recognized at the lease commencement date based on the present value of lease payments over the lease term. Since the Center's lease agreements do not provide an implicit interest rate, the Center uses a risk-free rate based on the information available at the commencement date in determining the present value of the lease payments. Operating lease expense is recognized on a straight-line basis over the lease term, subject to any changes in the lease or expectations regarding the terms. Variable lease costs, such as operating costs, are expensed as incurred.

##### [11] Net assets:

The net assets of the Center and changes therein are classified and reported as follows:

(i) *Net assets without donor restrictions:*

The Center's net assets without donor restrictions represent those resources for which there are no restrictions by donors as to their use and are available for current operations.

(ii) *Net assets with donor restrictions:*

Net assets with donor restrictions represent those resources that are subject to donor-imposed restrictions, such as specific purposes and/or the passage of time. Also included in net assets with donor restrictions are donor restrictions that are perpetual in nature and subject to the requirements of the State of Delaware's Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). These donors have stipulated that those resources be maintained in perpetuity with the resultant income and net capital appreciation arising from the underlying assets to be used in the satisfaction of the wishes of those donors. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, or funds are appropriated through an action of the Board of Directors, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as "net assets released from restrictions."

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### [12] Revenue recognition:

###### (i) Contributions, special events, grants, and bequests:

Contributions to the Center are recognized as revenue upon the receipt of either cash or other assets, or of unconditional pledges. Contributions are recorded as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Conditional contributions and grants, such as government contract reimbursement grants and other similar funding, are recognized when the donor's conditions have been met by requisite actions of the Center's management or necessary events have taken place. Amounts received in advance of the Center having met a donor's condition or other necessary events taking place are recorded in the statements of financial position as funds received in advance.

The Center records bequest income at the time it has an established right to a bequest and the proceeds are measurable. Contributions to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved.

Gross proceeds paid by attendees at special events held as fundraising activities represent contribution revenue as well as the payment of the direct cost of the benefit received by the attendee at the event. Special event income is reported net of the direct benefit to donors. Special event revenues, other than contributions, applicable to a current year are recognized as revenue in the year the special event takes place. Special event revenue for a future year's period is deferred and recognized when the event takes place.

###### (ii) Facility services:

Facility services income represents the reimbursement of shared costs of operating the Center's facilities, allocated proportionately among the Partner organizations in accordance with the terms of the partnership agreement, and is recognized when services have been rendered to the Partners, based on the value of services provided by the Center (see Note H).

##### [13] Accrued vacation:

Accrued vacation is included as a liability in the financial statements and represents the Center's obligation for the potential cost of unused employee vacation time that would be payable in the event that these employees leave the Center. At December 31, 2022 and 2021, the accrued vacation obligation was \$88,580 and \$93,723, respectively, and was reported as part of accounts payable and accrued expenses in the accompanying statements of financial position.

##### [14] Functional allocation of expenses:

The costs of providing the Center's various programs and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present expenses by function and natural classification. Accordingly, direct costs have been functionalized within the program and supporting services based on the nature of the expense. Indirect costs such as salaries, payroll taxes and employee benefits, insurance, and depreciation have been allocated based on the basis of time and effort by employees and square footage.

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### [15] Measure of operations:

The Center includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Investment income net of authorized spending rate, return of grant funds, the change in values of split interest agreements, and gain on loan forgiveness are recognized as part of non-operating activities in the statements of activities.

##### [16] Income tax uncertainties:

The Center is subject to the provisions of the FASB ASC Topic 740, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income tax obligations. Because of the Center's general tax-exempt status, management believes ASC Topic 740 has not had, and is not anticipated to have, a material impact on the Center's financial statements.

##### [17] Adoption of new accounting pronouncements:

###### (i) Leases:

In February 2016, the FASB issued Accounting Standards Update ("ASU") 2016-02, *Leases*, to improve financial reporting of leasing transactions by requiring organizations that lease assets to recognize assets and liabilities for the rights and obligations created by leases that extend more than twelve months on the statements of financial position. This accounting update also requires additional disclosures surrounding the amount, timing, and uncertainty of cash flows arising from leases. The Center elected to adopt ASU 2016-02 as of January 1, 2022 on a prospective basis.

The Center has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Center accounted for its existing operating lease as an operating lease under the new guidance, without reassessing (a) whether the contracts contain a lease under ASC Topic 842, (b) whether classification of the operating leases would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in ASC Topic 842 at lease commencement.

The new lease standard also provides practical expedients for an entity's ongoing accounting. The Center elected the short-term lease recognition exemption, under which the Center will not recognize ROU assets or lease liabilities on new or existing short-term leases. Short-term leases are defined as those with a term of 12 months or less. The Center also elected the practical expedient to not separate lease and non-lease components for certain classes of assets.

As a result of the adoption of the new lease accounting guidance, the Center recognized on January 1, 2022 (a) a lease liability of \$35,361, which represented the present value of the remaining lease payments of \$35,644 discounted using a weighted average risk-free rate of 2.77% and (b) a ROU asset of \$35,361. This standard did not have a material impact on the Center's statements of financial position or cash flows from operations and had no impact on the Center's statements of activities and changes in net assets. The most significant impact was the recognition of a ROU asset and lease obligation for an operating lease for year-end 2022.

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### [17] Adoption of new accounting pronouncements: (continued)

###### (ii) *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets:*

In September 2020, the FASB issued Accounting Standards Update (“ASU”) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. For each category of contributed nonfinancial assets recognized, the not-for-profit organization will need to disclose: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period. If utilized, a description of the programs or other activities in which those assets were used; (ii) the not-for-profit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in Topic 820, *Fair Value Measurement*, at initial recognition; and (v) the principal market (or most advantageous market) used to arrive at a fair value measure, if it is a market in which the recipient entity is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. The amendments in this ASU are applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Accordingly, the Center adopted the standard for the year ending December 31, 2022, and this accounting guidance did not have a material effect on the Center's financial statements. Analysis of the various provisions of this standard resulted in no significant changes in the way the Center recognizes contributed nonfinancial assets and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

##### [18] Subsequent events:

The Center evaluated subsequent events through June 12, 2023, the date on which the financial statements were available to be issued.

**CENTER FOR JEWISH HISTORY, INC.**

**Notes to Financial Statements  
December 31, 2022 and 2021**

**NOTE B - RECEIVABLES**

**[1] Pledges receivable:**

Pledges of future contributions and grants made to the Center as of each year-end, but not yet collected as of that date, were recorded as pledges receivable and are expected to be collected as follows:

	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
Less than one year	<b>\$ 330,886</b>	\$ 1,777,574
Amounts due past one year	<b><u>500,000</u></b>	<u>560,000</u>
	<b>830,886</b>	2,337,574
Reduction of pledges due in excess of one year to present value at 5% annually	<b><u>(88,649)</u></b>	<u>(113,815)</u>
	<b>742,237</b>	2,223,759
Less: estimated reserve for uncollectible amounts	<b><u>(500)</u></b>	<u>-</u>
	<b><u>\$ 741,737</u></b>	<b><u>\$ 2,223,759</u></b>

**[2] Government grants receivable:**

At December 31, 2022 and 2021, the Center's grants receivable are scheduled to be received within one year. Based on management's past experience, government grants receivable are expected to be fully collected and, accordingly, no allowance for uncollectible accounts has been established. At each year-end, government grants receivable consisted of amounts as follows:

	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
New York State (NYS) Education Department Library Aid	<b>\$ 95,579</b>	\$ -
New York City Department of Cultural Affairs - Cultural Development Fund (CDF) Grant	-	16,650
National Endowment for the Humanities (NEH) - Fellowships	<b>36,646</b>	30,000
NEH - American Rescue Plan (ARP) Grant	<b>99,895</b>	-
Institute for Museum and Library Services (IMLS) - ARP Grant	<b>9,525</b>	-
NYS Department of Homeland Security and Emergency Services (DHS)/FEMA - Non-profit Security Grant Program (NSGP)	<b>72,686</b>	-
Employee Retention Tax Credit (ERTC) and COBRA premium assistance credit	<b><u>1,118,059</u></b>	<u>-</u>
	<b><u>\$ 1,432,390</u></b>	<b><u>\$ 46,650</u></b>



## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE B - RECEIVABLES (CONTINUED)

##### [3] Beneficial interest in remainder trust:

In 1999, the Center was named as a beneficiary of a charitable remainder unitrust. Under the trust agreement, the Center will receive \$800,000 upon the death of the last surviving beneficiary of the trust. The present value of the trust's residual value was calculated using a discount rate of 7% and the applicable mortality table. As of December 31, 2022 and 2021, the Center's beneficial interest in the remainder trust was \$572,184 and \$545,536, respectively. The Center recorded amortization of the discount on the estimated present value of future benefits of \$26,648 and \$12,992 in 2022 and 2021, respectively.

##### [4] Accounts receivable:

At each year-end, other receivables consisted of amounts due to the Center for exchange-type transactions. All amounts are due within one year.

The Center periodically assesses collectability of its contributions and other receivables using management's judgement of potential defaults, which considers factors such as prior collection history, type of contribution, and the nature of fund-raising activity and provides allowances for anticipated losses, if any, when necessary.

#### NOTE C - INVESTMENTS

At each year-end, investments consisted of the following:

	December 31,			
	2022		2021	
	Fair Value	Cost	Fair Value	Cost
Money market funds	\$ 4,550,496	\$ 4,550,496	\$ 3,325,278	\$ 3,325,278
Mutual funds:				
Equity funds	7,843,779	5,957,713	9,764,417	5,897,275
Bond fund	<u>3,345,903</u>	<u>3,528,104</u>	<u>1,320,122</u>	<u>1,273,045</u>
	<u>\$ 15,740,178</u>	<u>\$ 14,036,313</u>	<u>\$ 14,409,817</u>	<u>\$ 10,495,598</u>

During each year, investment income consisted of the following:

	Year Ended December 31,	
	2022	2021
Interest and dividends	\$ 297,941	\$ 242,223
Realized gains on investments	88,063	4,230
Unrealized (losses) gains on investments	<u>(2,210,354)</u>	<u>1,278,534</u>
	<u>(1,824,350)</u>	1,524,987
Less: investment income recognized under spending policy	<u>(548,069)</u>	<u>(661,902)</u>
Investment (loss) income, net of authorized spending rate	<u>\$ (2,372,419)</u>	<u>\$ 863,085</u>

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE D - FAIR VALUE

The FASB's ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets, at the reporting date.

Level 2: Valuations are based on: (i) quoted prices for similar assets in active markets, or (ii) quoted prices for those assets, or similar assets, in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Valuations are based on pricing inputs that are unobservable and include situations where there is little, if any, market activity for the assets, or the assets cannot be independently valued.

The availability of market data is monitored by the Center's management to assess the appropriate classification of financial instruments within the fair-value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The following tables summarize the fair values of the Center's assets at each year-end, in accordance with FASB ASC Topic 820 valuation levels:

	December 31, 2022		
	Level 1	Level 3	Total
Money market funds	\$ 4,550,496	\$ -	\$ 4,550,496
Mutual funds	11,189,682	-	11,189,682
Beneficial interest in remainder trust	-	572,184	572,184
	<u>\$ 15,740,178</u>	<u>\$ 572,184</u>	<u>\$ 16,312,362</u>

  

	December 31, 2021		
	Level 1	Level 3	Total
Money market funds	\$ 3,325,278	\$ -	\$ 3,325,278
Mutual funds	11,084,539	-	11,084,539
Beneficial interest in remainder trust	-	545,536	545,536
	<u>\$ 14,409,817</u>	<u>\$ 545,536</u>	<u>\$ 14,955,353</u>

The beneficial interest in remainder trust has been valued based on the expected future cash flows to be received utilizing the IRS 2022 Mortality table, and discounted using a risk-free rate and market risk premium at the time the transaction was consummated. Accordingly, the estimated fair value may differ significantly from the values that would have been used had a ready market existed for this type of investment.

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE E - PROPERTY AND EQUIPMENT

At each year-end, property and equipment consisted of the following:

	December 31,	
	2022	2021
Land	\$ 1,010,366	\$ 1,010,366
Building	3,157,809	3,157,809
Building improvements	51,178,137	51,003,733
Furniture, fixtures and equipment	9,242,480	9,115,247
Computer equipment	4,182,211	4,075,487
Promotional film	<u>97,205</u>	<u>97,205</u>
	68,868,208	68,459,847
Less: accumulated depreciation	<u>(41,598,571)</u>	<u>(39,838,967)</u>
	27,269,637	28,620,880
Construction in progress	<u>106,346</u>	<u>-</u>
	<u>\$ 27,375,983</u>	<u>\$ 28,620,880</u>

#### NOTE F - CHARITABLE GIFT ANNUITIES

In 2005, the Center established a charitable gift annuity plan and began entering into charitable gift annuity agreements. Under the terms of these agreements, a donor contributes assets to the Center in exchange for the Center's promise to pay a fixed amount over the donor's life either to the donor or to the donor's designee(s).

The assets received are recorded at their fair values, and an annuity payment liability is recognized at the present value of the expected future cash flows.

Annuity payments are expected to be paid as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 9,310
2024	9,310
2025	8,310
2026	8,310
2027	8,310
Thereafter	<u>20,426</u>
	63,976
Less interest	<u>(19,523)</u>
	<u>\$ 44,453</u>

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE G - NOTE PAYABLE

On September 10, 2008, the Center received \$402,120 from an unrelated party in exchange for a subordinated zero-coupon promissory note of \$985,000, payable on the maturity date of September 10, 2028. The original issue discount in the period during which the note remains outstanding shall accrue at a rate of 4.53% per annum on a semi-annual bond equivalent basis using a 360-day year composed of twelve 30-day months. The note may be prepaid upon prior written notice. On December 17, 2021, the promissory note, including all accrued interest, was paid in full.

#### NOTE H - RELATED-PARTY TRANSACTIONS

##### [1] Special capital contributions from the partners (see Note A[1]):

In October 1995, YIVO, AJHS, LBI, and YUM signed an agreement forming the Center, a separate not-for-profit corporation. Under the terms of the agreement, YIVO contributed a total of \$6,500,000 as its "special capital contribution" to the Center, which included donating the real property and certain construction costs. In addition, YUM contributed \$4,000,000 as its special capital contribution, and AJHS raised approximately \$1,000,000 for the capital campaign of the Center, which was recognized as its special capital contribution. As a result of an agreement with LBI, the Center recognized a \$4,000,000 special capital contribution as of December 31, 1999 from the proceeds of the sale of LBI's building at 129 East 73rd Street. The Center received these proceeds in 2002. ASF then entered into a supplemental agreement with the initial members, which provided for its membership in the Center. Under the terms of the agreement, ASF raised approximately \$500,000 in pledges toward the capital campaign of the Center and paid an additional \$500,000 to the Center. Under the terms of the 1995 agreement, the special capital contributions do not bear interest.

During 2017, the Center and the other member organizations entered into an amended agreement that included updated bylaws and other governance related matters to further enhance and strengthen the collaboration among the five member organizations.

##### [2] Due from partner organizations:

The Center provides for the operation of its facility, including: (i) maintenance of all offices and specialized areas; (ii) control of the mechanical systems for the building; (iii) maintenance of elevators; (iv) support for all technology; (v) security for the entire building; and (vi) many other related services. The Center also serves as the central repository for the Partners' various arts, books and other types of collections. Although the Center derives its revenue from sources typical of not-for-profit enterprises, revenue is also provided by its Partners to cover operating expenses. In the years ended December 31, 2022 and 2021, the Partners agreed to contribute approximately \$1,436,000 and \$1,358,000, respectively, in the aggregate, to cover certain Center operating costs.

Amounts due from the Partners, including charges for operating costs, amounted to \$254,635 and \$275,776 for 2022 and 2021, respectively.

During 2010, the Center reserved approximately \$253,000 of amounts due from one of the Partners as uncollectable. During 2013, the Center and the Partner organization negotiated a settlement of all amounts due in arrears through 2013, whereby the respective Partner agreed to pay to the Center \$149,584, and a member of the Partner's Board of Directors agreed to pay the remaining amounts due. The Board member has signed a promissory note to the Center in the amount of \$245,000, discounted to present value, which is to be paid over eight equal installments of \$30,625, and began in 2014 and extended through 2021. The promissory note was fully paid as of December 31, 2021.

**CENTER FOR JEWISH HISTORY, INC.**

**Notes to Financial Statements  
December 31, 2022 and 2021**

**NOTE I - NET ASSETS WITH DONOR RESTRICTIONS**

At each year-end, net assets with donor restrictions consisted of the following:

	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
Purpose restricted:		
Cultural funds	\$ 618,345	\$ 512,742
Genealogy	339,985	352,363
Library and fellowships	133,068	228,098
Operations - rare book room	256,248	264,471
Development	2,136,706	2,449,058
Operations - archives/library fund	1,316,570	1,505,235
Other - purpose restricted	<u>325,000</u>	<u>-</u>
	<u>5,125,922</u>	<u>5,311,967</u>
Restricted for future periods	<u>434,944</u>	<u>1,541,921</u>
Subject to appropriation:		
Accumulated endowment earnings reserved for appropriation	<u>827,389</u>	<u>2,930,908</u>
Perpetual in nature:		
Operations - general	4,016,000	4,016,000
Genealogy	1,000,000	1,000,000
Fellowships	944,680	944,680
Operations - rare book room	1,223,913	1,223,913
Operations - archives/library fund	1,875,000	1,875,000
Preservation laboratory	<u>252,000</u>	<u>251,000</u>
	<u>9,311,593</u>	<u>9,310,593</u>
	<u>\$ 15,699,848</u>	<u>\$ 19,095,389</u>

Included in amounts considered perpetual in nature are contributions receivable of \$500,000 for the year ended December 31, 2021.

**CENTER FOR JEWISH HISTORY, INC.**

**Notes to Financial Statements  
December 31, 2022 and 2021**

**NOTE I - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Net assets released from restrictions during each year were for the following:

	<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>
Purpose-restrictions satisfied:		
Cultural funds	\$ 312,153	\$ 65,000
Genealogy	68,215	20,500
Fellowships	125,350	36,099
Library	601,131	420,988
Operations - general	245,994	338,711
Operations - rare book room	62,382	25,619
Development	312,352	267,974
Operations - archives/library fund	37,610	10,417
Preservation laboratory	15,455	39,362
Other	<u>93,500</u>	-
	<u>1,874,142</u>	1,224,670
Other releases:		
Time-restrictions satisfied	1,334,284	607,163
Return of grant funds	<u>-</u>	<u>275,000</u>
	<u>\$ 3,208,426</u>	<u>\$ 2,106,833</u>

**NOTE J - ENDOWMENT**

**[1] The endowment:**

The Center's endowment consists of seven donor-restricted funds, established for a variety of purposes.

**[2] Interpretation of relevant law:**

As discussed in Note A[11](ii), UPMIFA is applicable to all of the Center's institutional funds, including its donor-restricted endowment funds. The Board of Directors will continue to adhere to UPMIFA's requirements.

**[3] Endowment net-asset composition by type of fund:**

	<b>Year Ended December 31, 2022</b>		
	<b>Amounts Subject to Appropriation</b>	<b>Amounts Held in Perpetuity</b>	<b>Total</b>
Donor-restricted funds	<u>\$ 827,389</u>	<u>\$ 9,311,593</u>	<u>\$10,138,982</u>
Total endowment funds	<u>\$ 827,389</u>	<u>\$ 9,311,593</u>	<u>\$10,138,982</u>

**CENTER FOR JEWISH HISTORY, INC.**

**Notes to Financial Statements  
December 31, 2022 and 2021**

**NOTE J - ENDOWMENT (CONTINUED)**

**[3] Endowment net-asset composition by type of fund: (continued)**

	Year Ended December 31, 2021		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Donor-restricted funds	\$ 2,930,908	\$ 9,310,593	\$12,241,501
Total endowment funds	<u>\$ 2,930,908</u>	<u>\$ 9,310,593</u>	<u>\$12,241,501</u>

Amounts subject to appropriation represent that portion of allocated investment income, derived from endowment assets held in perpetuity, that have not been appropriated by the Board of Directors for expenditure.

**[4] Changes in endowment net assets:**

During each year, endowment assets changed as follows:

	Year Ended December 31, 2022		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Endowment funds, beginning of year	\$ 2,930,908	\$ 9,310,593	\$ 12,241,501
Contributions	-	1,000	1,000
Net investment loss	(1,555,450)	-	(1,555,450)
Appropriated for expenditure	<u>(548,069)</u>	<u>-</u>	<u>(548,069)</u>
Endowment funds, end of year	<u>\$ 827,389</u>	<u>\$ 9,311,593</u>	<u>\$ 10,138,982</u>

	Year Ended December 31, 2021		
	Amounts Subject to Appropriation	Amounts Held in Perpetuity	Total
Endowment funds, beginning of year	\$ 2,270,184	\$ 8,684,593	\$ 10,954,777
Contributions	-	626,000	626,000
Net investment income	1,322,626	-	1,322,626
Appropriated for expenditure	<u>(661,902)</u>	<u>-</u>	<u>(661,902)</u>
Endowment funds, end of year	<u>\$ 2,930,908</u>	<u>\$ 9,310,593</u>	<u>\$ 12,241,501</u>

Included in amounts considered perpetual in nature are contributions receivable of \$0 and \$500,000 for the years ended December 31, 2022 and 2021, respectively.

## **CENTER FOR JEWISH HISTORY, INC.**

### **Notes to Financial Statements December 31, 2022 and 2021**

#### **NOTE J - ENDOWMENT (CONTINUED)**

##### **[5] Funds with deficiencies:**

Due to unfavorable market fluctuations, from time to time, the fair value of assets associated with individual donor-restricted endowment funds may decline below the historic dollar value of the donor's original, permanently restricted contribution. Under the terms of UPMIFA, the Center has no responsibility to restore such decreases in value. As of December 31, 2022 and 2021, there were no funds with deficiencies.

##### **[6] Return objectives and risk parameters:**

The Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets and assuming a moderate level of investment risk. Endowment assets are those assets of donor-restricted funds that the Center must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce acceptable rates of return, with an appropriate level of investment risk.

##### **[7] Strategies employed for achieving objectives:**

To satisfy its long-term rate-of-return objectives, the Center relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Center employs a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives, within prudent risk constraints.

##### **[8] Spending policy and investment objectives:**

The Center has adopted a spending policy whereby the Board of Directors has authorized an appropriation of 5% of the accumulated endowment, based on the value of the endowment averaged over the previous 12 quarters. Some donors have stipulated specific spending requirements of accumulated endowment earnings while others have remained silent. The spending policy is only applied to endowment funds without specific endowment donor stipulations related to appropriations/spending rate. This was the spending rate used for the years 2022 and 2021.



**CENTER FOR JEWISH HISTORY, INC.**

**Notes to Financial Statements  
December 31, 2022 and 2021**

**NOTE K - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following reflects the Center's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year because of donor-imposed restrictions:

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 772,438	\$ 5,797,577
Pledges and government grants receivable, net	2,174,127	2,270,409
Accounts receivable	11,938	240,582
Due from partner organizations, net	254,635	275,776
Beneficial interest in remainder trust	572,184	545,536
Investments	<u>15,740,178</u>	<u>14,409,817</u>
Total financial assets available within one year	<u>19,525,500</u>	<u>23,539,697</u>
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restrictions by donors with purpose restrictions	(5,953,311)	(8,242,875)
Restrictions by donors with time-restrictions	(434,944)	(1,541,921)
Restrictions by donors that are perpetual in nature	<u>(9,311,593)</u>	<u>(9,310,593)</u>
Total amounts unavailable for general expenditure within one year	<u>(15,699,848)</u>	<u>(19,095,389)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,825,652</u>	<u>\$ 4,444,308</u>

**Liquidity policy:**

The Center has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE L - GOVERNMENT GRANT INCOME**

At each year-end, government grant revenues consisted of the following:

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
New York State Library Aid	\$ 187,720	\$ 184,296
New York City Department of Cultural Affairs	-	16,650
National Endowment for the Humanities	268,967	85,508
New York State Department of Homeland Security and Emergency Services	72,686	75,000
Institute for Museum and Library Services	75,440	-
ERTC and COBRA premium assistance credit	<u>1,118,059</u>	<u>-</u>
	<u>\$ 1,722,872</u>	<u>\$ 361,454</u>

## CENTER FOR JEWISH HISTORY, INC.

### Notes to Financial Statements December 31, 2022 and 2021

#### NOTE M - E-RATE REIMBURSEMENTS

Included in reimbursements and other revenues during 2022 and 2021 was \$11,124 and \$12,397, respectively, received from the Schools and Libraries Program of the Universal Service Fund, commonly known as the E-Rate Program.

#### NOTE N - RETIREMENT PLAN

The Center maintains a defined-contribution retirement plan, established under Section 403(b) of the Code, which covers substantially all employees of the Center, each of whom must meet certain eligibility requirements as to age and length of service. The plan provides for contributions by the Center of 4% of gross salaries, and employees may contribute up to the maximum allowed by federal tax law. The Center's expense related to contributions to the plan for 2022 and 2021 was \$103,511 and \$100,398, respectively.

#### NOTE O - CREDIT RISK

Financial instruments that potentially subject the Center to concentrations of credit risk consist principally of cash and cash-equivalents deposited in financial institutions in amounts which, from time to time, may exceed federal insurance limits. However, based on the current Federal Deposit Insurance Coverage, management monitors the risk associated with concentrations on an ongoing basis and believes that the Center does not face a significant risk of loss on these accounts that might result from the failures of the financial institutions.

#### NOTE P - COMMITMENTS, CONTINGENCY, AND OTHER UNCERTAINTY

##### [1] Leases:

The Center is obligated under various non-cancelable operating leases for office equipment expiring through March 2028. The aggregate minimum lease payments are currently being amortized using the straight-line method over the term of the lease. Equipment rental expense for 2022 and 2021 was \$17,473 and \$17,214, respectively.

The future minimum rental payments as of December 31, 2022 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ 18,766
2024	13,650
2025	8,376
2026	8,376
2027	8,376
2028	<u>2,094</u>
Total minimum lease payments	59,638
Less: amount representing interest	<u>(4,414)</u>
Amount reported on statements of financial position	<u>\$ 55,224</u>

# CENTER FOR JEWISH HISTORY, INC.

## Notes to Financial Statements December 31, 2022 and 2021

### NOTE P - COMMITMENTS, CONTINGENCY, AND OTHER UNCERTAINTY (CONTINUED)

#### [1] Leases: (continued)

The table below presents additional information related to the Center's lease for year-end 2022:

	<b>Year Ended December 31, 2022</b>
<b>Weighted average remaining lease term:</b>	
Operating lease	4.2 years
<b>Weighted average discount rate:</b>	
Operating lease	2.77%

#### [2] Government-funded activities:

Government-funded activities are subject to audit by the applicable granting agencies. As of December 31, 2022 and 2021, no such audits had been undertaken at the Center, and management has no reason to believe that unaudited projects would result in any material obligations.

#### [3] Other contracts:

In the normal course of its business, the Center enters into various contracts for professional and other services, which are typically renewable on a year-to-year basis.

#### [4] Other uncertainty:

The extent of the impact of the coronavirus ("COVID-19") outbreak on the operational and financial performance of the Center will depend on the continued future developments, including the duration and spread of the outbreak and related travel advisories and restrictions, and the impact of COVID-19 on overall demand for the Center's program services, all of which are highly uncertain and cannot be predicted. If demand for the Center's services, and the ability of the Center to complete grant-funded services are impacted for an extended period, results of operations may be materially adversely affected.