

JEWISH WOMEN INTERNATIONAL

FINANCIAL STATEMENTS

JUNE 30, 2021



JEWISH WOMEN INTERNATIONAL

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

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REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees of
Jewish Women International

We have audited the accompanying financial statements of Jewish Women International (JWI), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to JWI's preparation and fair presentation of the financial statements 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 JWI's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JWI as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CaliberCPAGroup, PLLC

Bethesda, MD
December 17, 2021

JEWISH WOMEN INTERNATIONAL
STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 338,919	\$ 284,499
Investments	159,682	149,129
Pledges receivable	268,756	493,621
Inventory	29,262	29,212
Prepaid expenses	15,109	15,702
Total current assets	811,728	972,163
NONCURRENT ASSETS		
Pledges receivable, net of current portion	477,579	524,315
Leasehold improvements, furniture and equipment, net of accumulated depreciation of \$386,886 and \$352,511, respectively	60,292	94,667
Land and building held as investment	2,159,713	2,159,713
Assets held for deferred compensation	400,928	316,112
Total noncurrent assets	3,098,512	3,094,807
Total assets	\$ 3,910,240	\$ 4,066,970
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 73,537	\$ 76,231
Accrued expenses	3,019	2,750
Refundable advance (Paycheck Protection Program)	-	173,100
Loan payable	14,008	2,084
Total current liabilities	90,564	254,165
NONCURRENT LIABILITIES		
Accrued expenses	16,500	19,500
Deferred compensation liability	400,928	316,112
Loan payable, net of current portion	35,992	47,916
Deferred rent liability	132,421	208,092
Total noncurrent liabilities	585,841	591,620
Total liabilities	676,405	845,785
NET ASSETS		
Without donor restrictions		
Undesignated	2,939,820	2,184,490
Board designated	20,000	20,000
Total net assets without donor restrictions	2,959,820	2,204,490
With donor restrictions	274,015	1,016,695
Total net assets	3,233,835	3,221,185
Total liabilities and net assets	\$ 3,910,240	\$ 4,066,970

See accompanying notes to financial statements.

JEWISH WOMEN INTERNATIONAL

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions			With Donor Restrictions	Total
	Undesignated	Board Designated	Total		
REVENUE					
Contributions	\$ 549,792	\$ -	\$ 549,792	\$ -	\$ 549,792
Bequests	83,943	-	83,943	-	83,943
Membership dues	59,675	-	59,675	-	59,675
Foundation and corporate grants	372,013	-	372,013	83,750	455,763
Forgiveness of Paycheck Protection Program loans	346,200	-	346,200	-	346,200
Investment income, net of investment expenses	24,011	-	24,011	-	24,011
Other	8,805	-	8,805	-	8,805
Net assets released from restrictions	826,430	-	826,430	(826,430)	-
Total revenue	<u>2,270,869</u>	<u>-</u>	<u>2,270,869</u>	<u>(742,680)</u>	<u>1,528,189</u>
EXPENSES					
Program services					
Women's programs	290,186	-	290,186	-	290,186
Youth programs	205,675	-	205,675	-	205,675
Leadership and training	393,153	-	393,153	-	393,153
Community development	303,942	-	303,942	-	303,942
Total program services	<u>1,192,956</u>	<u>-</u>	<u>1,192,956</u>	<u>-</u>	<u>1,192,956</u>
Supporting services					
Management and general	183,674	-	183,674	-	183,674
Fundraising	138,909	-	138,909	-	138,909
Total supporting services	<u>322,583</u>	<u>-</u>	<u>322,583</u>	<u>-</u>	<u>322,583</u>
Total expenses	<u>1,515,539</u>	<u>-</u>	<u>1,515,539</u>	<u>-</u>	<u>1,515,539</u>
CHANGE IN NET ASSETS	755,330	-	755,330	(742,680)	12,650
NET ASSETS					
Beginning of year	<u>2,184,490</u>	<u>20,000</u>	<u>2,204,490</u>	<u>1,016,695</u>	<u>3,221,185</u>
End of year	<u>\$ 2,939,820</u>	<u>\$ 20,000</u>	<u>\$ 2,959,820</u>	<u>\$ 274,015</u>	<u>\$ 3,233,835</u>

See accompanying notes to financial statements.

JEWISH WOMEN INTERNATIONAL

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions			With Donor Restrictions	Total
	Undesignated	Board Designated	Total		
REVENUE					
Contributions	\$ 741,772	\$ -	\$ 741,772	\$ -	\$ 741,772
Bequests	9,700	-	9,700	-	9,700
Membership dues	61,025	-	61,025	-	61,025
Foundation and corporate contributions	243,462	-	243,462	250,000	493,462
Investment income, net of investment expenses	6,581	-	6,581	-	6,581
Other	42,586	-	42,586	-	42,586
Net assets released from restrictions	<u>675,358</u>	<u>-</u>	<u>675,358</u>	<u>(675,358)</u>	<u>-</u>
Total revenue	<u>1,780,484</u>	<u>-</u>	<u>1,780,484</u>	<u>(425,358)</u>	<u>1,355,126</u>
EXPENSES					
Program services					
Women's programs	253,789	-	253,789	-	253,789
Youth programs	215,912	-	215,912	-	215,912
Leadership and training	437,047	-	437,047	-	437,047
Community development	<u>340,293</u>	<u>-</u>	<u>340,293</u>	<u>-</u>	<u>340,293</u>
Total program services	<u>1,247,041</u>	<u>-</u>	<u>1,247,041</u>	<u>-</u>	<u>1,247,041</u>
Supporting services					
Management and general	130,909	-	130,909	-	130,909
Fundraising	<u>100,030</u>	<u>-</u>	<u>100,030</u>	<u>-</u>	<u>100,030</u>
Total supporting services	<u>230,939</u>	<u>-</u>	<u>230,939</u>	<u>-</u>	<u>230,939</u>
Total expenses	<u>1,477,980</u>	<u>-</u>	<u>1,477,980</u>	<u>-</u>	<u>1,477,980</u>
CHANGE IN NET ASSETS	302,504	-	302,504	(425,358)	(122,854)
NET ASSETS					
Beginning of year	<u>1,881,986</u>	<u>20,000</u>	<u>1,901,986</u>	<u>1,442,053</u>	<u>3,344,039</u>
End of year	<u>\$ 2,184,490</u>	<u>\$ 20,000</u>	<u>\$ 2,204,490</u>	<u>\$ 1,016,695</u>	<u>\$ 3,221,185</u>

See accompanying notes to financial statements.

JEWISH WOMEN INTERNATIONAL

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

	Program Services				Total	Supporting Services		Total Expenses
	Women's Programs	Youth Programs	Leadership and Training	Community Development		Management and General	Fundraising	
Salaries	\$ 174,868	\$ 139,894	\$ 244,814	\$ 186,834	\$ 746,410	\$ 61,205	\$ 69,949	\$ 877,564
Employee benefits and taxes	22,144	17,715	31,001	23,659	94,519	7,750	8,858	111,127
Rent and utilities	11,247	8,997	15,745	12,016	48,005	3,938	4,499	56,442
Postage, printing and shipping	1,039	831	1,454	1,110	4,434	364	415	5,213
Professional services	25,190	11,876	4,950	44,142	86,158	89,464	24,840	200,462
Telephone and technology	13,732	10,986	19,225	14,672	58,615	4,806	5,494	68,915
Insurance	3,929	3,144	5,501	4,198	16,772	1,375	1,572	19,719
Marketing	1,618	-	5	250	1,873	9,955	3,538	15,366
Office expenses	437	349	611	466	1,863	153	173	2,189
Bank fees	1,149	919	1,608	1,227	4,903	402	459	5,764
Dues and subscriptions	3,453	2,762	4,834	3,689	14,738	1,209	1,382	17,329
Depreciation	6,850	5,480	9,590	7,318	29,238	2,397	2,740	34,375
Events and meetings	23,335	1,920	7,379	3,290	35,924	305	14,589	50,818
Interest expense	1,002	802	1,403	1,071	4,278	351	401	5,030
Library project grants	-	-	45,033	-	45,033	-	-	45,033
Subgrants	193	-	-	-	193	-	-	193
Total	\$ 290,186	\$ 205,675	\$ 393,153	\$ 303,942	\$ 1,192,956	\$ 183,674	\$ 138,909	\$ 1,515,539

See accompanying notes to financial statements.

JEWISH WOMEN INTERNATIONAL

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2020

	Program Services				Supporting Services		Total Expenses	
	Women's Programs	Youth Programs	Leadership and Training	Community Development	Total	Management and General		Fundraising
Salaries	\$ 162,783	\$ 130,226	\$ 227,896	\$ 173,922	\$ 694,827	\$ 56,975	\$ 65,113	\$ 816,915
Employee benefits and taxes	31,107	24,885	43,549	32,662	132,203	10,888	12,763	155,854
Travel and lodging	1,528	6,270	5,137	16,675	29,610	6,940	505	37,055
Rent and utilities	12,241	9,793	15,185	12,854	50,073	4,284	4,897	59,254
Postage, printing and shipping	3,088	2,352	11,901	6,411	23,752	1,041	1,513	26,306
Professional services	16,997	15,614	25,402	45,585	103,598	5,305	5,511	114,414
Telephone and technology	2,239	1,786	3,126	2,348	9,499	782	899	11,180
Insurance	3,353	2,683	4,693	3,520	14,249	1,173	1,341	16,763
Equipment rental and maintenance	6,165	8,363	9,087	6,473	30,088	2,266	2,467	34,821
Office expenses	1,019	3,262	4,541	1,101	9,923	347	458	10,728
Bank fees	3,011	807	4,272	1,461	9,551	375	430	10,356
Dues and subscriptions	1,531	1,225	2,230	1,608	6,594	5,730	612	12,936
Depreciation	6,317	5,134	10,888	7,307	29,646	2,207	2,522	34,375
Events and meetings	284	1,811	66,165	26,134	94,394	4,402	148	98,944
Interest expense	2,126	1,701	2,975	2,232	9,034	744	851	10,629
Bad debt expense	-	-	-	-	-	27,450	-	27,450
Total	<u>\$ 253,789</u>	<u>\$ 215,912</u>	<u>\$ 437,047</u>	<u>\$ 340,293</u>	<u>\$ 1,247,041</u>	<u>\$ 130,909</u>	<u>\$ 100,030</u>	<u>\$ 1,477,980</u>

See accompanying notes to financial statements.

JEWISH WOMEN INTERNATIONAL

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 12,650	\$ (122,854)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	34,375	34,375
Net appreciation of investments	(10,515)	(1,518)
Bad debt expense	-	27,450
Change in assets		
Pledges receivable	271,601	358,687
Inventory	(50)	5,584
Prepaid expenses	593	(7,159)
Change in liabilities		
Accounts payable	(2,694)	(214,337)
Accrued expenses	(2,731)	(33,160)
Refundable advance (Paycheck Protection Program)	(173,100)	173,100
Deferred rent liability	(75,671)	(15,673)
Net cash provided by operating activities	54,458	204,495
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of marketable securities	(113,492)	(29,270)
Proceeds from sale of marketable securities	113,454	28,733
Net cash used for investing activities	(38)	(537)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan issuance	-	50,000
Net cash provided by financing activities	-	50,000
NET CHANGE IN CASH AND CASH EQUIVALENTS	54,420	253,958
CASH AND CASH EQUIVALENTS		
Beginning of year	284,499	30,541
End of year	\$ 338,919	\$ 284,499
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 5,030	\$ 10,629

See accompanying notes to financial statements.

JEWISH WOMEN INTERNATIONAL

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2021 AND 2020

NOTE 1. ORGANIZATION

The Jewish Women International (JWI) is a not-for-profit organization, incorporated in 1962 as B'nai B'rith Women. JWI's mission is to strengthen the lives of women, children and families - focusing on family violence and the emotional health of children.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The accompanying financial statements are presented on the accrual basis of accounting. Under this basis, revenue is recognized when earned and expenses are recognized when incurred. The financial statements do not include the accounts or transactions of JWI affiliated chapters and councils or the Residential Treatment Center in Israel.

Financial Statement Presentation - Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), *Not-for-Profit Entities - Presentation of Financial Statements*. Under those principles, JWI is required to report information regarding its financial position and activities according to two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - These net assets are available to finance the general operations of JWI. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of JWI, the environment in which it operates, and the purposes specified in its organizing documents.

Net assets with donor restrictions - These net assets result from contributions and other inflows of assets, the use of which by JWI is limited by donor-imposed time or purpose restrictions that are either temporary or perpetual. See Note 8 for more information regarding net assets with donor restrictions.

Cash and Cash Equivalents - Cash on hand, deposits in banks, and highly liquid instruments with original maturities of three months or less are considered to be cash and cash equivalents for the purpose of these financial statements.

Investments - Investments are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are reported on the ex-dividend date. Net appreciation includes JWI's gains and losses on investments bought and sold, as well as held during the year.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable - Pledges receivable consists primarily of unconditional promises to give from various donors. Amounts due in excess of one year have been discounted to present value using the prime discount rate of 3.25% at both June 30, 2021 and 2020.

Inventory - Inventory consisted primarily of t-shirts, cards, books and other miscellaneous items. They are valued at the lower of cost or net realizable value, using the first-in, first-out method of accounting.

Leasehold Improvements, Furniture and Equipment - Leasehold improvements, furniture and equipment are stated at cost less accumulated depreciation and depreciated over their estimated useful lives using the straight-line method, ranging from 3 to 30 years. Leasehold improvements are amortized over the shorter of the term of the related lease or the estimated useful lives of the assets.

Land and Building Held as Investment - Land and building held as investment represents JWJ's ownership interest of property in Abu Gosh, Israel. The investment is carried at historical cost.

Deferred Revenue - Deferred revenue consists of deferred membership dues. Membership dues which relate to future months are reported as deferred revenue. Revenue from contributions and bequests is recognized as revenue when earned. Income from conferences and other services is recognized as revenue in the period in which services are provided.

Revenue Recognition - Revenue is derived from both exchange transactions and contribution transactions. Revenue from exchange transactions is recognized when control of promised goods or services is transferred to JWJ's members and customers, in an amount that reflects the consideration JWJ expects to be entitled to in exchange for those goods and services. Except for goods and services provided in connection with royalty revenue, which is transferred over time, all goods and services are transferred at a point in time. Unconditional contributions are recognized upon receipt of cash or other assets, or when a donor promises to transfer cash or other assets in the future. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or release, are not recognized until the conditions on which they depend have been substantially met.

Contributions and Bequests - Contributions and bequests are reported as increases in net assets without donor restrictions unless received with donor stipulations that require the assets be used for specific purposes or in specific time periods. All donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foundation and Corporate Contributions - Most foundation and corporate contributions are accounted for as contribution transactions. When an agreement includes both a barrier and either a right of return of assets to the resource provider or a right of release from obligation by the resource provider, the contribution is considered to be conditional. Amounts received under conditional transfers are reported as a liability (refundable advance) and recognized as contribution revenue only when conditions are met.

Membership Dues - Membership dues are comprised solely of a contribution element, which is recognized immediately when received.

Functional Allocation of Expenses - The costs of providing various programs and supporting services is summarized on a functional basis in the statements of activities and changes in net assets and of functional expenses. Expenses are directly charged to the appropriate program activity, where feasible. Certain costs, such as salaries and benefits, rent, insurance, depreciation, and general overhead costs have been allocated among the programs and supporting services benefited based on management's estimates of time and costs devoted in each area.

Income Taxes - JWI is exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code and is also exempt from income taxation by the District of Columbia. However, JWI is required to report unrelated business income, if any, to the Internal Revenue Service (IRS) and the District of Columbia. JWI is not a private foundation.

JWI follows the provisions of U.S. generally accepted accounting principles regarding accounting for uncertainty in income taxes. The provisions prescribe a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. This had no impact on JWI's financial statements.

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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As part of JWI'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, JWI invests cash in excess of its current requirements in a portfolio of investments designed to maximize long-term earnings with acceptable risk to investment principle.

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (CONTINUED)

The following table represents JWJ's financial assets available to meet cash needs for general expenditures within one year of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Total assets at year end	\$ 3,910,240	\$ 4,066,970
Less nonfinancial assets		
Leasehold improvements, furniture and equipment, net	(60,292)	(94,667)
Inventory	(29,262)	(29,212)
Prepaid expenses	(15,109)	(15,702)
Land and building held as investment	<u>(2,159,713)</u>	<u>(2,159,713)</u>
Total financial assets at end of year	1,645,864	1,767,676
Less amounts not available to meet general expenditures coming due within one year		
Assets subject to donor-imposed restrictions	<u>(274,015)</u>	<u>(1,016,695)</u>
Financial assets available to meet general expenditures coming due in the next year	<u>\$ 1,371,849</u>	<u>\$ 750,981</u>

NOTE 4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments at June 30, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Money market funds	\$ 2,243	\$ 1,120
Mutual funds - asset allocation	19,231	56,815
Exchange-traded funds	87,468	34,102
State of Israel bonds	<u>50,740</u>	<u>57,092</u>
	<u>\$ 159,682</u>	<u>\$ 149,129</u>

For the years ended June 30, 2021 and 2020, investment income included net appreciation in fair value of investments of \$10,515 and \$1,518, respectively.

NOTE 4. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

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

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- 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 market prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data or other means.

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

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

The following table sets forth by level, within the fair value hierarchy, JWJ's assets at fair value as of June 30, 2021:

Description	Total Investments at 6/30/2021	Quoted Market Prices for Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 2,243	\$ 2,243	\$ -	\$ -
Mutual funds - asset allocation	19,231	19,231	-	-
Exchange-traded funds	87,468	87,468	-	-
State of Israel bonds	50,740	-	50,740	-
	<u>\$ 159,682</u>	<u>\$ 108,942</u>	<u>\$ 50,740</u>	<u>\$ -</u>
Assets held in deferred compensation plan	<u>\$ 400,928</u>	<u>\$ 400,928</u>	<u>\$ -</u>	<u>\$ -</u>
Liability for deferred compensation	<u>\$ 400,928</u>	<u>\$ 400,928</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, JWI's assets at fair value as of June 30, 2020:

Description	Total Investments at 6/30/2020	Quoted Market Prices for Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 1,120	\$ 1,120	\$ -	\$ -
Mutual funds - asset allocation	56,815	56,815	-	-
Exchange-traded funds	34,102	34,102	-	-
State of Israel bonds	57,092	-	57,092	-
	<u>\$ 149,129</u>	<u>\$ 92,037</u>	<u>\$ 57,092</u>	<u>\$ -</u>
Assets held in deferred compensation plan	<u>\$ 316,112</u>	<u>\$ 316,112</u>	<u>\$ -</u>	<u>\$ -</u>
Liability for deferred compensation	<u>\$ 316,112</u>	<u>\$ 316,112</u>	<u>\$ -</u>	<u>\$ -</u>

The following are descriptions of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used at June 30, 2021 and 2020:

Money market funds, mutual funds, exchange-traded funds, assets held in deferred compensation plan and liability for deferred compensation plan: The fair value of JWI's investments in these categories are valued using the quoted prices of identical investments on the active markets they are traded.

State of Israel bonds: The fair value of JWI's investments in State of Israel bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.

NOTE 5. LEASEHOLD IMPROVEMENTS, FURNITURE AND EQUIPMENT

Leasehold improvements, furniture and equipment included the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 352,487	\$ 352,487
Furniture and equipment	<u>94,691</u>	<u>94,691</u>
	447,178	447,178
Less: accumulated depreciation and amortization	<u>(386,886)</u>	<u>(352,511)</u>
Leasehold improvements, furniture and equipment, net	<u>\$ 60,292</u>	<u>\$ 94,667</u>

Depreciation expense totaled \$34,375 for each of the years ended June 30, 2021 and 2020.

NOTE 6. PENSION PLAN

JWI participated in the JWI pension plan (the Plan), a defined benefit plan covering substantially all employees of JWI. The benefits under the Plan were based on final average compensation, and years of service (not to exceed 32) of participants. JWI's funding policy was to contribute an amount at least equal to the minimum required contribution. The Plan assets consisted primarily of mutual funds. Effective December 31, 2003, this Plan was frozen. Effective August 31, 2013, this Plan was terminated and JWI applied for the PBGC to take over the plan as a distressed termination. During the year ended June 30, 2015, JWI received confirmation that the PBGC had agreed to take over the Plan. As a result, the liability for the excess of the projected benefit obligation over the Plan assets was removed from JWI's financial statements and a gain on the termination of the Plan was recognized on the statement of activities for the year ended June 30, 2015 in the amount of \$317,596. As of June 30, 2021 and 2020, JWI owes the PBGC \$19,500 and \$22,250, respectively which will be paid annually through 2025.

Other Retirement Plans

JWI has a tax deferred employee savings plan under IRS Code Section 403(b), for its employees. Under this plan, employees have the option to set aside a specified percentage of their salary to savings and exclude that amount from their Federal taxable income. This plan previously included a provision for employer matching contributions. During the year June 30, 2020, JWI's employer matching contributions totaled \$14,879. In March 2020, as a response to the COVID-19 pandemic, employer matches were suspended. There were no matching contributions made during the year ended June 30, 2021.

Certain members of JWI's senior management were also previously eligible to participate in a non-contributory deferred compensation plan, commonly referred to as a "Section 457 Plan." The participants were permitted to defer up to the legal limit of their annual salary, subject to certain IRS limitations.

NOTE 7. COMMITMENTS AND CONTINGENCIES

Operating Lease - During the year ended June 30, 2020, JWI renegotiated their previously existing operating lease agreement, ultimately agreeing to an amended lease effective January 1, 2020. The amended lease called for a one-time payment of \$100,000 from JWI to the landlord to settle previously defaulted rent payments from the year ended June 30, 2019 and the rent due for July 1, 2019 through December 31, 2019 was abated. Furthermore, the amended lease calls for reduced monthly payments effective January 1, 2020 with no annual increases through the termination date of the lease on March 31, 2023 of \$10,000 per month. The new lease does allow the landlord to terminate the lease before the negotiated expiration date of March 31, 2023. JWI has reported the difference between the cash paid for rent and the straight-line rental expense and the rental incentives as deferred rent liability in the accompanying statements of financial position, which totaled \$132,421 and \$208,092 as of June 30, 2021 and 2020, respectively.

Future minimum lease payments under the amended lease are as follows:

Year ended June 30, 2022	\$	120,000
2023		<u>90,000</u>
	\$	<u>210,000</u>

Employment Contract - JWI has an employment contract with its Chief Executive Officer which expires December 31, 2022. In accordance with the employment contract, the term shall be extended for an additional year unless either party notifies the other in writing not less than 90 days before the termination date of the contract.

NOTE 8. RESTRICTIONS AND DESIGNATIONS ON NET ASSETS

JWI has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of a donor restricted fund, absent explicit donor stipulation to the contrary.

As a result of this interpretation, JWI classifies as net assets with donor restrictions-perpetual (a) the original value of gifts donated to a permanent endowment, (b) the original value of subsequent gifts to a permanent endowment, and (c) accumulations to a permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor restricted funds that is not classified in net assets with donor restrictions-perpetual is classified as net assets with donor restrictions-temporary for time or purpose until those amounts are appropriated for expenditure by JWI in a manner consistent with the standard of prudence prescribed by UPMIFA.

NOTE 8. RESTRICTIONS AND DESIGNATIONS ON NET ASSETS (CONTINUED)

In accordance with UPMIFA, JWI considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation;
- The expected total return from income and the appreciation of investments;
- Other resources of JWI; and
- The investment policies of JWI.

Net Assets with Donor Restrictions - Perpetual

Net assets with perpetual donor restrictions consist of assets for which use by JWI is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of JWI. The restrictions stipulate that resources be maintained perpetually but permits JWI to expend the income generated in accordance with the provisions of the agreements.

Net assets with perpetual donor restrictions at June 30, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
General operations		
Lipson	\$ 30,492	\$ 30,492
Ginsburg	<u>24,767</u>	<u>24,767</u>
	<u>\$ 55,259</u>	<u>\$ 55,259</u>

Net Assets with Donor Restrictions - Temporary

Net assets with temporary donor restrictions consist of amounts that are subject to donor-imposed restrictions for time or purpose. JWI is permitted to expend the donated assets as specified either by passage of time or by action of JWI.

NOTE 9. PLEDGES RECEIVABLE

Pledges receivable as of June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Receivable in less than one year	\$ 268,756	\$ 493,621
Receivable in one to five years	<u>480,843</u>	<u>545,402</u>
	749,599	1,039,023
Less discount to net present value	<u>(3,264)</u>	<u>(21,087)</u>
	<u>\$ 746,335</u>	<u>\$ 1,017,936</u>

NOTE 10. UNINSURED CASH AND CASH EQUIVALENTS

JWI maintains its cash in bank deposit accounts which at times may exceed federally insured limits in the United States. The Federal Deposit Insurance Corporation (FDIC) insures balances up to \$250,000 held at a financial institution. As of June 30, 2021 and 2020, JWI held approximately \$-0- and \$41,000 in excess of FDIC limits, respectively.

NOTE 11. SPLIT INTEREST AGREEMENTS

JWI is the beneficiary of several split interest agreements. JWI's interest in these split interest agreements is reported as a contribution at its net present value in the year received.

NOTE 12. PROMISSORY NOTE

During the year ended June 30, 2020, JWI entered into a promissory note with Truist Bank in the amount of \$50,000. The note bears interest at 3.25% and calls for monthly payments starting May 13, 2021 through termination of the note on April 13, 2025.

Future minimum payments due under the promissory note at June 30, 2021 are as follows:

Year Ending June 30,	
2022	\$ 14,008
2023	12,322
2024	12,733
2025	<u>10,937</u>
Total	<u>\$ 50,000</u>

NOTE 13. REFUNDABLE ADVANCE (PAYCHECK PROTECTION PROGRAM)

On May 6, 2020, JWI received a loan in the amount of \$173,100 from the Small Business Administration (SBA) as part of the Coronavirus Aid, Relief, and Economic Security Act's Paycheck Protection Program (PPP). The loan was unsecured, nonrecourse, accrued interest at one percent per annum, with a due date of May 6, 2022. Under the terms of the loan, a portion of the loan was forgivable to the extent that loan proceeds were used to fund qualifying payroll, rent and utilities during a designated twenty-four (24) week period through October 21, 2020. JWI initially recorded the note payable as a refundable advance and subsequently recognized contribution income related to the debt forgiveness when the loan obligation was legally released. The amount of contribution income recognized from this loan during the year June 30, 2021 was \$173,100.

On February 19, 2021, JWI received a second PPP loan in the amount of \$173,100 from the SBA as part of the Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act (the Act). The loan is unsecured, nonrecourse, and accrues interest at one percent per annum, with a due date of March 1, 2026. Under the terms of the loan, a portion of the loan is forgivable to the extent that loan proceeds are used to fund qualifying payroll, rent and utilities during a designated twenty-four (24) week period through August 5, 2021. Management of JWI believes to have used the loan proceeds for purposes consistent with the PPP requirements and will apply for forgiveness within 10 months of the end of the covered period. JWI initially recorded the note payable as a refundable advance and subsequently recognized contribution income related to the debt forgiveness in accordance with the guidance for recognizing conditional contributions. The amount of contribution income recognized during the year ended June 30, 2021 was \$173,100.

NOTE 14. RISKS AND SIGNIFICANT UNCERTAINTIES

Investment Risks - JWI invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Significant Uncertainties - The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of the pandemic on JWI's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on JWI's donors, members, customers, employees and vendors, all of which, at present, cannot be determined. Accordingly, the extent to which the pandemic may affect JWI's financial position, changes in net assets, and cash flows is uncertain, and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

NOTE 15. SUBSEQUENT EVENTS REVIEW

Subsequent events have been evaluated through December 17, 2021, which is the date the financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.