

**JEWISH FAMILY AND  
COMMUNITY SERVICES EAST BAY**

**June 30, 2022**

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INDEPENDENT AUDITORS' REPORT AND  
FINANCIAL STATEMENTS

# **Jewish Family and Community Services East Bay**

## **Independent Auditors' Report and Financial Statements**

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## Independent Auditors' Report

THE BOARD OF DIRECTORS  
JEWISH FAMILY AND  
COMMUNITY SERVICES EAST BAY  
Concord, California

### Opinion

We have audited the accompanying financial statements of **JEWISH FAMILY AND COMMUNITY SERVICES EAST BAY (JFCS East Bay)**, which comprise the statement of financial position as of June 30, 2022, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of JFCS East Bay as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 JFCS East Bay and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JFCS East Bay's ability to continue as a going concern for one year from the date of this report.

## **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 JFCS East Bay'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 JFCS East Bay's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Report on Summarized Comparative Information**

We have previously audited JFCS East Bay's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 22, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Hood & Strong LLP*

San Jose, California  
January 9, 2023

# Jewish Family and Community Services East Bay

## Statement of Financial Position

<i>June 30, 2022 (with comparative totals for 2021)</i>	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 929,136	\$ 797,232
Investments	2,151,474	1,871,952
Grants and pledges receivable	620,830	1,105,711
Contracts and program fees receivable, net	1,606,912	962,954
Beneficial interest in the endowment fund of Jewish Federation of the Greater East Bay	157,294	147,484
Prepaid expenses	128,308	76,895
Other assets	50,161	36,310
<b>Total Assets</b>	<b>\$ 5,644,115</b>	<b>\$ 4,998,538</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 689,458	\$ 827,529
Salaries payable	173,654	134,830
Compensated absences	312,897	365,895
Deferred revenue	51,013	129,761
<b>Total liabilities</b>	<b>1,227,022</b>	<b>1,458,015</b>
<b>Net Assets:</b>		
Without donor restrictions		
Board-designated endowment	100,000	133,037
Undesignated	1,086,831	715,635
<b>Total without donor restrictions</b>	<b>1,186,831</b>	<b>848,672</b>
With donor restrictions	3,230,262	2,691,851
<b>Total net assets</b>	<b>4,417,093</b>	<b>3,540,523</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,644,115</b>	<b>\$ 4,998,538</b>

See accompanying notes to the financial statements.

# Jewish Family and Community Services East Bay

## Statement of Activities

*Year Ended June 30, 2022 (with comparative totals for 2021)*

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
<b>Revenue and Support:</b>				
Alameda County contract	\$ 735,443		\$ 735,443	\$ 1,445,042
Other government contracts	4,029,615		4,029,615	2,000,179
Other contract revenue	159,521		159,521	108,286
Client fees	30,622		30,622	50,403
Homecare fees	712,530		712,530	806,995
Individual contributions	1,827,474	\$ 2,174,111	4,001,585	1,488,369
Foundation and corporate grants	102,000	2,480,155	2,582,155	2,358,933
Paycheck Protection Program forgiveness			-	265,481
Special events, net	218,870		218,870	270,435
Investment return, net	(294,343)		(294,343)	195,957
Net assets released from restriction	4,115,855	(4,115,855)	-	-
<b>Total revenue and support</b>	<b>11,637,587</b>	<b>538,411</b>	<b>12,175,998</b>	<b>8,990,080</b>
<b>Expenses:</b>				
Program services:				
Parenting and youth services	1,763,497		1,763,497	2,293,716
Refugee services	2,771,486		2,771,486	881,559
Adult services	2,768,083		2,768,083	1,996,576
Home care services	712,154		712,154	778,392
Immigration legal services	1,172,684		1,172,684	757,562
Volunteer services	253,841		253,841	291,810
<b>Total program services</b>	<b>9,441,745</b>	<b>-</b>	<b>9,441,745</b>	<b>6,999,615</b>
Supporting services:				
General and administrative	1,097,071		1,097,071	1,279,447
Fundraising	760,612		760,612	477,029
<b>Total supporting services</b>	<b>1,857,683</b>	<b>-</b>	<b>1,857,683</b>	<b>1,756,476</b>
<b>Total expenses</b>	<b>11,299,428</b>	<b>-</b>	<b>11,299,428</b>	<b>8,756,091</b>
<b>Change in Net Assets</b>	<b>338,159</b>	<b>538,411</b>	<b>876,570</b>	<b>233,989</b>
<b>Net Assets, beginning of year</b>	<b>848,672</b>	<b>2,691,851</b>	<b>3,540,523</b>	<b>3,306,534</b>
<b>Net Assets, end of year</b>	<b>\$ 1,186,831</b>	<b>\$ 3,230,262</b>	<b>\$ 4,417,093</b>	<b>\$ 3,540,523</b>

See accompanying notes to the financial statements.

# Jewish Family and Community Services East Bay

## Statement of Functional Expenses

Year Ended June 30, 2022 (with comparative totals for 2021)

	Program Services							Supporting Services			2022	2021
	Parenting and Youth Services	Refugee Services	Adult Services	Home Care Services	Immigration Legal Services	Volunteer Services	Total Programs	General and Administrative	Fundraising	Total Support Services	Total	Total
Salaries	\$ 974,400	\$ 725,440	\$ 564,120	\$ 103,356	\$ 762,283	\$ 166,123	\$ 3,295,722	\$ 613,682	\$ 401,433	\$ 1,015,115	\$ 4,310,837	\$ 4,234,746
Payroll taxes and fringe benefits	169,371	133,727	102,741	18,747	139,905	29,353	593,844	111,485	72,462	183,947	777,791	677,341
<b>Total personnel costs</b>	<b>1,143,771</b>	<b>859,167</b>	<b>666,861</b>	<b>122,103</b>	<b>902,188</b>	<b>195,476</b>	<b>3,889,566</b>	<b>725,167</b>	<b>473,895</b>	<b>1,199,062</b>	<b>5,088,628</b>	<b>4,912,087</b>
Professional fees and outside services	406,144	88,907	49,338	570,606	100,302	16,844	1,232,141	306,185	114,311	420,496	1,652,637	1,351,592
Client assistance	20,318	1,656,892	1,892,677	758	26,575		3,597,220		18,610	18,610	3,615,830	1,531,400
Occupancy	105,689	71,826	54,494	10,710	75,773	17,851	336,343	1,700	41,697	43,397	379,740	485,737
Office expenses	61,906	61,188	88,334	5,335	48,694	13,405	278,862	17,516	59,408	76,924	355,786	277,652
Advertising	8,670	12,656	6,883	1,565	4,314	3,970	38,058	16,950	12,082	29,032	67,090	78,526
Dues, membership and subscriptions	5,786	2,073	2,051	420	5,334	345	16,009	26,985	9,178	36,163	52,172	58,954
Transportation and conferences	10,371	18,164	5,975	560	8,846	5,797	49,713	12,098	3,341	15,439	65,152	16,603
Miscellaneous	842	613	1,470	97	658	153	3,833	(9,530)	28,090	18,560	22,393	40,417
<b>Total expenses before special event expenses</b>	<b>1,763,497</b>	<b>2,771,486</b>	<b>2,768,083</b>	<b>712,154</b>	<b>1,172,684</b>	<b>253,841</b>	<b>9,441,745</b>	<b>1,097,071</b>	<b>760,612</b>	<b>1,857,683</b>	<b>11,299,428</b>	<b>8,752,968</b>
Direct expenses of the special events							-		70,901	70,901	70,901	53,947
<b>Total</b>	<b>\$ 1,763,497</b>	<b>\$ 2,771,486</b>	<b>\$ 2,768,083</b>	<b>\$ 712,154</b>	<b>\$ 1,172,684</b>	<b>\$ 253,841</b>	<b>\$ 9,441,745</b>	<b>\$ 1,097,071</b>	<b>\$ 831,513</b>	<b>\$ 1,928,584</b>	<b>\$ 11,370,329</b>	<b>\$ 8,806,915</b>

See accompanying notes to the financial statements.



# Jewish Family and Community Services East Bay

## Statement of Cash Flows

<i>Year Ended June 30, 2022 (with comparative totals for 2021)</i>	2022	2021
<b>Operating Activities:</b>		
Change in net assets	\$ 876,570	\$ 233,989
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Net realized and unrealized loss (gain) on investments	370,494	(208,845)
Change in value of beneficial interest	23,190	15,553
Paycheck Protection Program forgiveness		(265,481)
Changes in operating assets and liabilities:		
Grants and pledges receivable	484,881	(140,153)
Contracts and program fee receivable	(643,958)	(513,057)
Prepaid expenses	(51,413)	35,926
Other assets	3,124	8,423
Accounts payable	(138,071)	156,165
Salaries payable	38,824	(13,772)
Compensated absences	(52,998)	(97,428)
Deferred revenue	(78,748)	129,261
Net cash provided (used) by operating activities	831,895	(659,419)
<b>Investing Activities:</b>		
Purchase of investments	(1,240,758)	(2,065,808)
Sales and maturities of investments	590,742	1,642,845
Purchase of property and equipment	(16,975)	
Additions to beneficial interest	(33,000)	
Net cash used by investing activities	(699,991)	(422,963)
<b>Net Change in Cash and Cash Equivalents</b>	131,904	(1,082,382)
<b>Cash and Cash Equivalents, beginning of year</b>	797,232	1,879,614
<b>Cash and Cash Equivalents, end of year</b>	\$ 929,136	\$ 797,232
<b>Supplemental Disclosure of Non-Cash Financing Activity</b>		
Forgiveness of Paycheck Protection Program note	\$ -	\$ 265,481

See accompanying notes to the financial statements.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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### Note 1 - **Organization:**

Established in 1877, Jewish Family and Community Services East Bay (JFCS East Bay) promotes the well-being of individuals and families by providing essential mental health and social services through every stage of life, serving people of all races, religions and cultures throughout Alameda and Contra Costa counties. Agency services are grouped into five principal program areas:

**Parenting and Youth Services** provides mental health assessment and support to underserved children and their families, including home-based intervention and ongoing case management for children ages 0-8 who have experienced trauma and violence. Most of the children served are African American and Latinx. The agency provides mental health consultation services to numerous low-income preschool sites, helping teachers, administrators, and parents to effectively support children and families. The agency's early childhood staff has expertise in responding to children exposed to domestic and community violence, trauma, and neglect.

**Refugee Services and Immigration Legal Services** includes multilingual services to refugees and immigrants from Afghanistan, Iran, Iraq, Syria, Uganda, the former Soviet Union, and countries throughout Central and South America. These services include initial and ongoing resettlement, immigration legal services, mental health services, family support and child abuse prevention, and assistance with navigating health care and other systems. Mental health services include a variety of individual, family, group, and community interventions, often addressing post-traumatic stress due to war, violence, persecution, and relocation.

**Adult Services** encompasses an array of services for older adults and their families, geared toward preserving elders' dignity and independence, enabling people to age safely in their own homes while remaining connected with the community around them. Services include home care, geriatric care consultation, counseling, support groups, and a free Senior Information Line providing resources and referrals. The agency also provides specialized services to Holocaust survivors. In addition, JFCS East Bay offers mental health and other supportive services to adults of all ages, including people with developmental disabilities and those who are dealing with bereavement.

**Home Care** program provides compassionate, professional, reliable, and personalized home care services. JFCS East Bay's geriatric social workers partner with caregivers and provide an extra level of oversight and advocacy, including home visits. JFCS East Bay provides culturally sensitive care that incorporates knowledge of Jewish traditions.

**Volunteer Services** engages more than 400 volunteers in a variety of client support services, especially for newly arrived refugees and for seniors needing contact and support in order to remain safely at home.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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### Note 2 - Summary of Significant Accounting Policies:

#### a. Accounting and Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U. S. GAAP).

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

*Net Assets Without Donor Restrictions* – the portion of net assets that is not restricted by donor-imposed stipulations. These net assets are available for use by management and the Board for general operations or as designated by the Board.

*Net Assets with Donor Restrictions* – the portion of net assets that are subject to donor-imposed stipulations. Some donor-imposed stipulations are temporary in nature, the use of which is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of JFCS East Bay. Some donor-imposed stipulations are permanent in nature, the use of which is limited by donor-imposed stipulations that neither expire by passage of time nor can be removed by actions of JFCS East Bay.

#### b. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, JFCS East Bay considers all highly-liquid investments with a maturity of three months or less at the date of acquisition, to be cash equivalents.

#### c. Investments and Fair Value Measurements

JFCS East Bay carries investments in marketable equity securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Marketable securities primarily consist of shares in publicly traded companies and are valued at fair value. Unrealized gains and losses are included in the changes in net assets in the accompanying Statement of Activities.

Fair value is defined as 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. JFCS East Bay classifies its financial assets and liabilities based on a valuation method using three levels:

Level 1 Unadjusted quoted market prices unadjusted in active markets for identical assets or liabilities.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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Level 2 Indirect market-based inputs or observable inputs that are corroborated by market data.

Level 3 Unobservable inputs that are not corroborated by market data.

In determining the appropriate levels, JFCS East Bay performs an analysis of the assets and liabilities that are subject to fair value measurement.

d. Grants and Pledges Receivable

Grants and pledges receivable are unconditional promises to give that are recognized at fair value when the promise is received. An allowance for uncollectible grants and pledges receivable is determined based on management's evaluation of the collectability of the individual promises.

e. Revenue Recognition

JFCS East Bay performs an analysis of each grant and contract to determine if it should be accounted for as a contribution or as an exchange transaction. If the award is determined to be a contribution, it is recognized as described in the following paragraph. If the award is determined to be an exchange transaction, the award is recognized either as qualifying expenditures are incurred, if a cost reimbursement award, or when a unit of service is provided. Grant revenue from governmental agencies is subject to independent audit and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the JFCS East Bay's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the organization.

Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Donor-restricted contributions that are met in the same period the award is recognized are reported as increases in net assets without donor restrictions. Unconditional promises with payments due in future years that have an implied restriction to be used in the year the payment is due, are reported as net assets with donor restrictions unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

JFCS East Bay recognizes services and other fee revenue in the period when the service has been provided.

JFCS East Bay received a significant portion of its revenue, 39% for the year ended June 30, 2022, from governmental sources.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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f. Expense Allocation

The costs of providing various programs and other support activities are summarized on a functional basis in the Statement of Functional Expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions, such as personnel and facility costs have been allocated among the various functions benefited on the basis of time estimates. Additionally, other costs, such as supplies, that are not attributable directly to a specific function are pooled and also allocated on the basis of time estimates of the employees that work in that function.

g. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

h. Income Tax Status

JFCS East Bay is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is exempt from California franchise taxes under Section 23701(d) of the Revenue and Taxation Code. In addition, JFCS East Bay has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

Management has concluded that JFCS East Bay has taken no uncertain tax positions that would require adjustment to or disclosure in these financial statements.

i. Recently Issued Accounting Standards

*Adopted*

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07 *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which improved the transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. The ASU required a not-for-profit organization, among other things, to present contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from contributions of cash or other financial assets and to disclose the types of contributed nonfinancial assets received, the techniques used to value them, and how the contribution was used. JFCS East Bay adopted the provisions of this ASU beginning July 1, 2021 without material impact to these financial statements and disclosures.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

### *Pronouncements effective in the future*

In February 2016, the FASB issued ASU 2016-02 – *Leases* (Topic 842). The new standard will supersede much of the existing authoritative literature for leases. This ASU requires lessees, among other things, to recognize right-of-use assets with corresponding liabilities for all leases with lease terms longer than twelve months. The amendments in this ASU will be effective for fiscal years beginning after December 15, 2021. Management is currently evaluating the impact this will have on JFCS East Bay’s future financial statements.

### **Note 3 - Liquidity and Availability of Resources:**

Financial assets at year end:	
Cash and cash equivalents	\$ 929,136
Investments	2,151,474
Grants and pledges receivable	620,830
Contracts and program fees receivable, net	1,606,912
Beneficial interest funds	157,294
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Total financial assets	5,465,646
Less amounts not available to be used within one year:	
Net assets with donor restrictions – purpose restrictions	(3,130,262)
Beneficial interest funds (Board and donor-restricted endowment)	(157,294)
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Financial assets available to meet general expenditures within one year	\$ 2,178,090
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JFCS East Bay strives to maintain financial assets equal to three months of operating expenses, which is approximately \$2,750,000. Although the financial assets available to meet general expenditures within the next year amounts to \$2,078,090, JFCS East Bay has \$3,200,262 (in cash and receivables) that is restricted by donors for use in its programs and will be used for upcoming operating expenses. Additionally, the beneficial interest funds include \$157,294 that have been designated by the board to function as an endowment; however, these designations can be changed by actions of the Board. JFCS East Bay also has a line of credit in the amount of \$500,000 (See Note 8) as of April 2022.

### **Note 4 - Endowment Funds:**

The Board of Directors of JFCS East Bay complies with the California-enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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a. Endowment Funds

Certain endowment funds contributed to the Jewish Community Federation and Endowment Fund (the Federation) for the benefit of JFCS East Bay are retained at the Federation. The Federation maintains ownership and variance power over these funds. These funds were considered to be donor contributions to the Federation and, accordingly, the value of the assets is not presented on the Statement of Financial Position of JFCS East Bay. The two endowments held at the Federation are valued at approximately \$139,000 as of June 30, 2022.

b. Endowment Funds – Beneficial Interest

Both donor-restricted endowments and funds designated by the Board of JFCS East Bay to function as an endowment have been transferred to the Federation to be invested and managed with the Federation's investments. These endowment funds are valued at \$157,294 as of June 30, 2022 and include \$30,000 of donor-restricted endowment funds. These investment funds were valued using Level 3 measurements. Available distributions from the endowment funds are determined in accordance with the Federation's distribution policy which may be amended from time to time. Any residual net investment income earned is retained for capital growth. The Federation made distributions totaling \$3,734 to JFCS East Bay during the fiscal year 2022.

**Note 5 - Investments:**

Investments, stated at fair value, consisted of the following at June 30, 2022:

Money market account	\$ 9,054
Equity securities	707,224
Mutual funds	806,942
Fixed income	628,254
<u>Total</u>	<u>\$ 2,151,474</u>

The above investments were all measured using Level 1 inputs.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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### Note 6 - Grants and Pledges Receivable:

Grants and individual pledges receivable were composed of the following amounts at June 30, 2022 and are expected to be collected during fiscal year 2023:

Conference on Jewish Material Claims Against Germany	\$ 410,330
Other grants	210,500
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Total	\$ 620,830

### Note 7 - Contracts and Program Fees Receivable:

Contracts and program fees receivable at June 30, 2022, all of which are expected to be collected in fiscal year 2023, consisted of the following:

Homecare and other client service fees	\$ 32,241
Alameda County BHCS	236,701
California Department of Social Services	83,125
Contra Costa County	151,553
Hebrew Immigrant Aid Society	936,131
Oakland Fund for Children and Youth	12,667
First Five Alameda County Every Child Counts	32,199
Family Justice Center	29,877
Other contracts receivable	98,563
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Subtotal	1,613,057
Less allowance for bad debt	(6,145)
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Total	\$ 1,606,912

### Note 8 - Line of Credit:

JFCS East Bay has a \$500,000 line of credit with a bank, secured by generally all of the assets of JFCS East Bay, with an expiry date of March 5, 2023. The line bears annual interest at the prime rate plus 1%. The annual interest rate at June 30, 2022 was 5.75%. There were no outstanding borrowings at June 30, 2022.



# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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### Note 9 - Concentrations of Risk:

Amounts held in financial institutions occasionally are in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. JFCS East Bay deposits its cash with high quality financial institutions and has never experienced a loss. Management believes JFCS East Bay is not exposed to significant credit risk on those amounts.

JFCS East Bay's investments are subject to various risks, such as interest rate, credit, and overall market volatility risks. Further, because of the significance of the investments to JFCS East Bay's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements.

### Note 10 - Net Assets with Donor Restrictions:

Net assets with donor restrictions consisted of the following at June 30, 2022:

Purpose restrictions that are temporary in nature:

Adult services	\$ 1,066,471
Refugee services and immigration services	1,569,380
Legal services	177,923
Parenting and youth services	10,715
Other program activities	275,770
Time restricted	100,000
Endowment funds – perpetual in nature	30,000

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<b>Total net assets with donor restrictions</b>	<b>\$ 3,230,259</b>
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Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during the year ended June 30, 2022, as follows:

Adult services	\$ 2,421,693
Refugee services and immigration services	544,716
Legal services	378,928
Parenting and youth services	163,961
Other program activities	316,787
Art of Living event	289,770

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<b>Total net assets with donor restrictions released</b>	<b>\$ 4,115,855</b>
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# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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### Note 11 - Retirement Plans:

JFCS East Bay has a defined contribution plan covering employees who have attained age 21 and have at least 1,000 hours of service in the initial 12 months of employment and in any subsequent plan year. Participants may contribute before-tax contributions up to the IRS indexed maximum for a calendar year. Each year, JFCS East Bay provides a matching contribution at its discretion that is allocated in proportion to the employee salary deferrals made during the plan year. The total fiscal year 2022 employer's contribution was \$61,692.

### Note 12 - Operating Leases:

JFCS East Bay has entered into several long-term operating leases for office space and equipment with monthly payments ranging from \$168 to \$20,380. Rent expense totaled \$364,228 for the year ended June 30, 2022. The future minimum rental payments required under these long-term noncancelable leases at June 30, 2022 are approximately as follows:

Year Ending June 30,	
2023	\$ 278,000
2024	245,000
2025	245,000
2026	41,000
<hr/>	
Total	\$ 809,000

### Note 13 - Noncompliance with Grantor or Donor Restrictions:

Financial awards from federal, state, and local governmental entities in the form of grants or loans are subject to special audits. Such audits could result in claims against JFCS East Bay for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

### Note 14 - Subsequent Events:

JFCS East Bay has evaluated subsequent events from June 30, 2022 through January 9, 2023, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

# Jewish Family and Community Services East Bay

## Notes to the Financial Statement

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### **Note 15 - Impact of Global Events:**

On March 11, 2020, the World Health Organization publicly characterized COVID-19 as a pandemic. Many federal, state and local governmental agencies declared a state of emergency and issued a variety of recommendations impacting travel, group gatherings, etc. JFCS East Bay quickly adapted to the shelter-in-places orders from the counties in which it operates, including the adoption of telehealth services. JFCS East Bay has seen an increase in the demand for many of the services it offers and has received additional funding through private donations and government awards in response to this demand.

In addition to the COVID-19 crisis, the current world events in both Afghanistan and Ukraine have also impacted the number of resettlement clients that JFCS East Bay has served. The need for housing, food and other support has increased dramatically.