

**OREGON JEWISH COMMUNITY FOUNDATION
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025**



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**OREGON JEWISH COMMUNITY FOUNDATION
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YEAR ENDED JUNE 30, 2025**

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Oregon Jewish Community Foundation
Portland, OR

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Oregon Jewish Community Foundation, which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Oregon Jewish Community Foundation, as of June 30, 2025, 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 consolidated financial statements section of our report. We are required to be independent of Oregon Jewish Community Foundation 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 Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 consolidated 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 consolidated 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 consolidated 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 Oregon Jewish Community Foundation'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Oregon Jewish Community Foundation'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Bellevue, Washington
December 10, 2025

**OREGON JEWISH COMMUNITY FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025**

ASSETS

Cash and Cash Equivalents	\$ 7,443,851
Investments	128,945,629
Accounts Receivable	22,910
Prepaid Expenses	31,154
Cash Surrender Value of Life Insurance Policies	151,736
Assets Held in Charitable Trusts	1,491,895
Assets Held in Charitable Gift Annuities	854,977
Office Equipment and Leasehold Improvements, Net of Accumulated Depreciation and Amortization of \$7,690	19,410
Operating Right-of-Use Assets	<u>290,105</u>
 Total Assets	 <u>\$ 139,251,667</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accrued Expenses	\$ 100,852
Grants Payable	875,517
Liabilities Under Charitable Trust Agreements	154,165
Liabilities Under Gift Annuities	537,468
Funds Held for Partner Organizations	54,201,906
Operating Lease Liabilities	<u>335,993</u>
Total Liabilities	<u>56,205,901</u>

NET ASSETS

Without Donor Restrictions:	
Designated	3,550,229
Donor Funds	<u>77,751,339</u>
Total Net Assets Without Donor Restrictions	<u>81,301,568</u>
With Donor Restrictions	<u>1,744,198</u>
Total Net Assets	<u>83,045,766</u>
 Total Liabilities and Net Assets	 <u>\$ 139,251,667</u>

See accompanying Notes to Consolidated Financial Statements.

**OREGON JEWISH COMMUNITY FOUNDATION
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS (LOSSES), AND OTHER SUPPORT			
Contributions	\$ 12,764,779	\$ -	\$ 12,764,779
Administrative Fees	371,908	-	371,908
Interest and Dividend Income	2,082,012	46,479	2,128,491
Net Gain on Investments	5,894,820	74,871	5,969,691
Change in Value of Charitable Trusts and Gift Annuities	<u>(53,651)</u>	<u>35,627</u>	<u>(18,024)</u>
Net Revenue, Gains (Losses), and Other Support	21,059,868	156,977	21,216,845
Net Assets Released from Restrictions	<u>116,302</u>	<u>(116,302)</u>	<u>-</u>
Total Revenue, Gains (Losses), and Other Support	21,176,170	40,675	21,216,845
EXPENSES			
Program Services:			
Grants and Distributions	7,995,800	-	7,995,800
Administering of Grants and Distributions	<u>620,752</u>	<u>-</u>	<u>620,752</u>
Total Program Services	8,616,552	-	8,616,552
General and Administrative	858,031	-	858,031
Development	<u>212,244</u>	<u>-</u>	<u>212,244</u>
Total Expenses	<u>9,686,827</u>	<u>-</u>	<u>9,686,827</u>
CHANGE IN NET ASSETS			
	11,489,343	40,675	11,530,018
Net Assets - Beginning of Year	<u>69,812,225</u>	<u>1,703,523</u>	<u>71,515,748</u>
NET ASSETS - END OF YEAR	<u>\$ 81,301,568</u>	<u>\$ 1,744,198</u>	<u>\$ 83,045,766</u>

See accompanying Notes to Consolidated Financial Statements.

**OREGON JEWISH COMMUNITY FOUNDATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025**

	Program Services	General and Administrative	Development	Total
Grants and Distributions	\$ 7,995,800	\$ -	\$ -	\$ 7,995,800
Salaries, Payroll Taxes, and Benefits	444,018	512,832	105,169	1,062,019
Insurance	1	75,781	-	75,782
Professional Services	41,467	100,453	3,708	145,628
Conferences, Meetings, and Travel	3,757	4,294	894	8,945
Parking and Mileage	4,606	5,263	1,097	10,966
Printing and Supplies	1,795	8,980	7,184	17,959
Postage	171	1,030	515	1,716
Rent	35,911	41,041	8,552	85,504
Telephone	4,273	4,883	1,018	10,174
Dues	337	385	80	802
Advertising	-	-	63,927	63,927
Depreciation and Amortization	3,230	3,692	769	7,691
Licenses and Fees	-	7,089	-	7,089
Office Expense	2,452	2,803	584	5,839
Computer Expense	32,251	36,859	7,679	76,789
Other Expenses	46,483	52,646	11,068	110,197
 Total Expenses by Function	 \$ 8,616,552	 \$ 858,031	 \$ 212,244	 \$ 9,686,827

See accompanying Notes to Consolidated Financial Statements.

**OREGON JEWISH COMMUNITY FOUNDATION
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	\$ 11,530,018
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	6,426
Net Gain on Investments	(8,098,182)
Decrease in Cash Surrender Value of Life Insurance Policies	12,875
Net Change an Operating Lease Right-of-Use Assets and Liabilities	44,565
(Increase) Decrease in Assets:	
Investment Funds Held for Partner Organizations	(13,361,077)
Accounts Receivable	20,415
Prepaid Expenses	976
Assets Held in Charitable Trusts	1,012,918
Assets Held in Charitable Gift Annuities	(141,476)
Increase (Decrease) In Liabilities:	
Accounts Payable	27,296
Grants Payable	(154,138)
Liabilities Under Charitable Trust	
Agreements and Gift Annuities	386,495
Funds Held for Partner Organizations	13,361,077
Net Cash Provided by Operating Activities	<u>4,648,188</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Investments	(66,018,958)
Proceeds from Sale of Investments	64,205,372
Net Cash Used by Investing Activities	<u>(1,813,586)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS

2,834,602

Cash and Cash Equivalents - Beginning of Year

4,609,249

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 7,443,851

See accompanying Notes to Consolidated Financial Statements.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Oregon Jewish Community Foundation (the Foundation) was formed in 1989 for the primary purpose of providing resources for the Jewish community in Oregon and Southwest Washington. Funds are contributed by individuals and nonprofit organizations located primarily in Oregon and Washington. The Foundation is dedicated to building and promoting a culture of giving in Oregon and Southwest Washington that supports a thriving Jewish community now, and for generations to come. The Foundation operates a grant program that seeks out opportunities for the effective use of its resources to ensure the continuity of Jewish life.

Principles of Consolidation

The consolidated financial statements include the accounts of the Leonard and Lois Schnitzer Supporting Foundation (Note 13). In addition, the Foundation will periodically hold property and investments in limited liability companies. All significant inter-organizational balances and transactions have been eliminated.

Basis of Presentation

The Foundation's net assets, revenues and expenses, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. The articles of incorporation and bylaws of the Foundation include a variance provision giving the Board of Trustees (the Board) the power to modify any restriction or condition placed on gifts to the Foundation if the Board determines the restriction is obsolete, inappropriate, unlawful, or impracticable. Based on this provision, the Foundation classifies all contributions as net assets without restrictions, except for assets held in charitable trust agreements, which are classified as net assets with restrictions. At the inception of a new donor fund, this information is disclosed to the donor, at which point the donor has the option to revise the agreement. Accordingly, net assets of the Foundation are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that include the following:

Designated Net Assets – Available for general operations and to support any charitable purposes as determined by the Foundation.

Donor Funds – Contributors to donor funds periodically make recommendations regarding grants to qualified public charities. The Distribution Committee of the Board of Trustees approves all donor-advised grants prior to distribution.

Included in donor funds are field of interest funds where contributors to these funds identify specific beneficiaries or charitable purposes that they would like their contribution to support.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Net Assets With Donor Restrictions – Net assets subject to time restrictions and assets held in charitable trust agreements. Expirations of temporary restrictions on net assets (i.e., the stipulated time period has elapsed) are reported as net assets released from restrictions. Assets and liabilities held in charitable trust agreements are classified as net assets with donor restrictions. The Foundation did not have any net assets with donor-imposed time restrictions at June 30, 2025.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could vary from those estimates. Estimates are used in accounting for, among other things: depreciation; valuation of contributions received and investments; both investments with and without readily determinable fair values; liabilities under charitable trust agreements and gift annuities; and funds held for partner organizations.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. Money market accounts affiliated with an investment account and partner organizations' money market accounts are excluded from cash and cash equivalents.

Investments

Fair Value Measurements and Disclosures Topic of FASB ASC 820 (ASC 820), which defines fair value, establishes a framework for measuring fair value, and requires enhanced disclosures about fair value measurements. Fair value is the amount 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 (i.e., the exit price). Accordingly, unrealized gains or losses are recorded for the increase or decrease in the fair value of assets from the beginning of the year to the end of the year. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. See Note 15 for further discussion relating to fair value measurements, disclosures, and the Foundation's investments.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are recorded as related revenues are recognized.

Assets Held in Charitable Trusts

The Foundation serves as the trustee for various charitable trusts. Under the terms of these trust agreements, the Foundation makes distributions to income beneficiaries for a given term or for the life of the beneficiaries. At the end of the term, or on the death of the income beneficiaries, assets remaining in the trust will be transferred to the Foundation. The Foundation records the assets held in charitable trusts at fair value based on current quoted market prices and records a liability under charitable trust agreements for the estimated discounted value of the amounts due to the income and other beneficiaries based on the Annuity 2000 Mortality Table.

Assets Held in Charitable Gift Annuities

Reserves are maintained by the Foundation in amounts sufficient to make required payments under the annuity contracts. Under the terms of its gift annuity agreements, the Foundation makes distributions to the donors for the life of the donors. On the death of the donors, assets remaining in the charitable gift annuities will be transferred to the Foundation, or to other beneficiaries named by the donors. The Foundation records the assets held in the charitable gift annuities at their fair market values based on current quoted prices and records a liability based on the estimated discounted value of the amount due to the donors based on the Annuity 2000 Mortality Table.

It is the Foundation's policy to maintain amounts received separately, on the issuance of each annuity, until the annuity obligation has been fully satisfied. Investments held related to charitable gift annuities primarily consisted of debt and equity mutual funds at June 30, 2025.

Office Equipment and Leasehold Improvements

Office equipment and leasehold improvements acquisitions are capitalized at cost, when purchased, or at fair value at date of gift, when donated. Depreciation and amortization has been computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 10 years.

Contributions and Concentrations

The Foundation recognizes contributions when cash, securities or other assets; or a notification of a beneficial interest is received. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift, except that contributions of works of art, historical treasures, and similar assets held as part of collections are not recognized or capitalized. The Foundation does not accept any promises to give.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Concentrations (Continued)

The Foundation reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Administrative Fees Revenue Recognition

The Foundation generates administrative fee revenue for the management of funds held for partner organizations. The performance obligation is provided over the month and revenue is recognized accordingly. Fees are paid in full by the fund on the last day of the month and no further performance obligations exist.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Foundation have been summarized on a functional basis in the statement of activities. The statement of functional expenses reports certain categories of expenses that are attributable to program services and supporting service function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are allocated based on the estimates of time and effort attributable to each function.

Grants and Distributions

Unconditional grants and distributions are recognized as an expense in the period in which they are approved by the Foundation's trustees for discretionary grants. Grants and distributions are made from available income and principal in accordance with designations by the donors and as approved by the trustees. When grant commitments are to be paid over several years, the Foundation records such liabilities at their estimated present values.

Income Taxes

The Foundation has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and similar state provisions. Accordingly, no provision has been made for income taxes in the accompanying consolidated financial statements. The Foundation is not classified as a private foundation.

GAAP prescribes a recognition threshold and measurement process for accounting for uncertain tax positions, and also provides guidance on various related matters such as interest, penalties, and required disclosures. Management believes the Foundation does not have any uncertain tax positions. The Foundation files informational returns. Generally, the returns are subject to examination by income tax authorities for three years from the filing of a return. Interest or penalties assessed by taxing authorities, if any, would be included with general and administrative expenses. There are currently no tax examinations in progress for any periods.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising Expenses

Advertising costs are charged to expense as they are incurred.

Subsequent Events

Management has evaluated subsequent events through December 10, 2025, the date the consolidated financial statements were available for issue. No such subsequent events were identified.

NOTE 2 LIQUIDITY AND AVAILABILITY OF RESOURCES

The Foundation's financial assets available for general expenditure within one year of the statement of financial position date consist of the following for the year ended June 30, 2025:

Cash and Cash Equivalents	\$ 7,443,851
Investments	131,292,501
Accounts Receivable	<u>22,910</u>
Total	<u>138,759,262</u>
Less Amounts Not Available to be	
Used for Operations Within One Year:	
Investment in Real Property	2,730,000
Funds Held for Partner Organizations	54,201,906
Designated Net Assets	3,550,229
Net Assets With Donor Restrictions	<u>1,744,198</u>
Total	<u>62,226,333</u>
Total Available to be Used for	
Operations Within One Year	<u>\$ 76,532,929</u>

As part of the Foundation's liquidity management, management has a practice to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 3 INVESTMENTS

Investments include the following assets held at June 30, 2025:

	Funds Held for Partner Organizations	Other OJCF Investments	Total
Equity Mutual Funds	\$ 35,764,721	\$ 42,804,395	\$ 78,569,116
Bond Mutual Funds	16,296,374	29,209,328	45,505,702
Money Market Funds	2,140,811	7,377,346	9,518,157
Real Property	-	2,730,000	2,730,000
Total Investments	\$ 54,201,906	\$ 82,121,069	\$ 136,322,975

Certain property is currently held in limited liability companies, of which the Foundation is the sole member. Quoted market prices are not readily available for certain investments, including limited liability company investments and real property.

One real property investment is reported at its estimated fair market value; therefore, the reported value may differ from the value that would have been used had a quoted market price existed. The Foundation believes the reported amount for this investment is a reasonable estimate of its fair value at June 30, 2025.

The second real property investment is reported under the equity-method of accounting.

NOTE 4 CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES

The Foundation is the beneficiary of a number of donor life insurance policies. Premiums are paid by the donor or from contributions received from the donor. Under the policies, the Foundation receives the cash surrender value if the policy is terminated or receives the policy benefits upon the death of the insured. During the year ended June 30, 2025, the Foundation received proceeds totaling \$829,828 from one policy upon the death of the insured individual of which the Foundation received 25% totaling \$207,457, the rest of the funds were passed through the Foundation to other organizations.

The total death benefits of these policies was \$2,128,479 at June 30, 2025. The cash surrender value, net of outstanding loans, of the life insurance policies was \$151,736 at June 30, 2025.

NOTE 5 ASSETS HELD IN CHARITABLE TRUSTS

The Foundation is the trustee for several charitable remainder trusts. In accordance with the terms of the trusts, the Foundation makes regular distributions to the designated trust beneficiaries. At the end of the trusts' terms, the remaining assets in the trusts will be distributed to remainder beneficiaries, which in some cases is the Foundation. Investments held by the trusts primarily consist of equities and debt and equity mutual funds at June 30, 2025, which are recorded at their fair market value based on current quoted market prices.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 ASSETS HELD IN CHARITABLE TRUSTS (CONTINUED)

The Foundation has also recorded its interest in a perpetual trust for which the Foundation has been named beneficiary. The Foundation's recorded beneficial interest in the trust is based on the fair market value of the trust assets, which primarily consist of debt and equity mutual funds. The total assets recorded, related to this trust, are \$1,491,895 at June 30, 2025. In accordance with the terms of the trust, the Foundation receives distributions of income generated by trust assets. During the year ended June 30, 2025, the Foundation received distributions of \$46,479. These distributions have been included with interest and dividend income in the statement of activities.

NOTE 6 ASSETS HELD IN CHARITABLE GIFT ANNUITIES

On execution of the charitable gift annuities, the Foundation recorded an asset for the fair market value of charitable gift annuities, and a liability based on the actuarial present value of amounts expected to be paid to the donors. The net of the gift annuity asset and liability is the remainder interest, the residual amount the Foundation expects to receive from the annuities. The actuarial present value is calculated and adjusted annually.

The following table summarizes activity in the gift annuities for the year ended June 30, 2025:

Assets Held in Charitable Gift Annuities -	\$ 713,501
Beginning of Year	
Additions to Charitable Gift Annuities	100,062
Annuity Payments and Distributions	(31,802)
Change in Value	<u>73,216</u>
Assets Held in Charitable Gift Annuities -	
End of Year	<u><u>\$ 854,977</u></u>

NOTE 7 LIABILITIES UNDER CHARITABLE TRUST AGREEMENTS AND GIFT ANNUITIES

The Foundation has recorded liabilities relating to the charitable trusts and gift annuities. Those liabilities represent the present value of total expected payments that will be made to the trust and annuity beneficiaries based on actuarial assumptions. The present value is calculated based on the life of the trust and/or the applicable mortality tables using discount rates ranging between 2% and 7%.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 GRANTS PAYABLE

Grants payable are summarized as follows at June 30, 2025:

Grants Payable Expected to be Paid in:

Less than One Year	\$ 613,741
One Year to Five Years	218,010
Gross Grants Payable	831,751
Less: Discount to Present Value	
(5% Discount Rate Used)	43,766
Grants Payable	<u>\$ 875,517</u>

NOTE 9 FUNDS HELD FOR PARTNER ORGANIZATIONS

The Foundation follows the *Transfers of Assets to a Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others* Subtopic of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) (FASB ASC 958-605-25-21) for transactions in which the Foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both to another entity that is specified by the donor. FASB ASC 958-605-25-21 specifically requires that if a Not-for-Profit Organization (NPO) establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as funds held for partner organizations (previously called funds held for members).

In addition, the articles of incorporation and bylaws of the Foundation include language that all funds contributed by a partner or for the exclusive benefit of the partner shall be solely for the partner. The direction and allocation of income earned by funds held for the sole and exclusive benefit of the partner shall be determined by the partner. A liability has been established for the fair value of the funds, which is generally equivalent to the present value of future payments expected to be made to the NPOs.

The following summarizes activity in such funds for the year ended June 30, 2025:

Funds Held for Partner Organizations - Beginning of Year	\$ 39,121,543
Additions to Funds	20,002,814
Investment Income	1,299,893
Net Gain on Investments	3,899,322
Distributions from Funds	(9,737,902)
Investment Expenses and Other Fees	(383,764)
Funds Held for Partner Organizations - End of Year	<u>\$ 54,201,906</u>

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 10 NET ASSETS

Designated net assets consist of the following at June 30, 2025:

Operating Fund	\$ 3,413
Administrative Reserve Fund	758,979
Funds Available for Grants	2,324,758
Administrative Support Funds	463,079
Total Designated Net Assets	<u>\$ 3,550,229</u>

Net assets with donor restrictions consist of the following at June 30, 2025:

Charitable Remainder Annuity Trusts	\$ 313,918
Krichevsky Memorial Scholarship Fund	1,430,280
Total Net Assets with Donor Restrictions	<u>\$ 1,744,198</u>

NOTE 11 LEASES

The Foundation determines if an arrangement is a lease or contains a lease at inception. A contract is determined to be or contain a lease if the contract conveys the right to control the use of an identified asset in exchange for consideration. When an arrangement is a lease, the Foundation determines whether it is an operating or finance lease.

Leases result in recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term. Lease liabilities represent the obligation to make lease payments, measured on a discounted basis. At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability, adjusted for any direct costs, prepaid or deferred rent, and lease incentives. The Foundation has elected not to separate lease components from nonlease components, and to apply the short-term lease exception, which does not require the capitalization of leases with a term of 12 months or less. Short-term leases are recognized as expense in the period in which the obligation for payment is incurred. The Foundation considers any options to extend or terminate a lease when determining the lease term, and only options that the Foundation believes are reasonably certain to be exercised are included in the measurement of the ROU assets and lease liabilities.

The Foundation leases office space under an operating lease with a five-year initial term. The lease contains renewal options which can extend the lease term. The exercise of these renewal options is at the discretion of the Foundation and only renewal options that the Foundation believes are reasonably certain to be exercised are included in the measurement of the lease assets and liabilities. The lease agreement does not include any residual value guarantees or restrictive covenants. The Foundation has elected to use the risk-free rate of return as the discount rate as neither the rate implicit in the lease nor the Foundation's incremental borrowing rate are readily available.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 11 LEASES (CONTINUED)

Lease expense was composed of the following for the year ended June 30, 2025:

Operating Lease Expense	\$ 57,242
Total	<u>\$ 57,242</u>

The following summarizes the cash flow information related to the operating lease for the year ended June 30, 2025:

Cash Paid for Amounts Included in the Measurement of Lease Liabilities for Operating Leases Included in Operating Cash Flows	\$ 45,444
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Operating Lease Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	\$ -
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The weighted average lease term and discount rate were as follows at June 30, 2025:

Weighted Average Remaining Lease Term for Operating Leases	5.3 Years
Weighted Average Discount Rate for Operating Leases	1.63%

The maturities of operating lease liabilities were as follows as of June 30, 2025:

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 57,472
2027	64,528
2028	66,464
2029	68,460
2030	70,516
Thereafter	<u>23,736</u>
Total	<u>351,176</u>
Less: Present Value Discount	<u>(15,183)</u>
Total	<u><u>\$ 335,993</u></u>

NOTE 12 CONCENTRATIONS OF RISK

Financial instruments that subject the Foundation to concentrations of risk consist primarily of cash and cash equivalents, investments, assets held in charitable trusts, and gift annuities. The Foundation typically maintains cash and cash equivalents and temporary investments in various financial institutions.

These investments are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible changes in the near term could materially affect the amounts reported in the statement of financial position and the statement of activities.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 13 SUPPORTING FOUNDATION

The Leonard and Lois Schnitzer Supporting Foundation (the Supporting Foundation) is a supporting organization of the Foundation. The Supporting Foundation is separately structured under its own articles of incorporation for the purpose of promoting the programs of the Foundation. The assets of the Supporting Foundation were contributed to the Foundation and are maintained as a separate fund within the donor fund in net assets without donor restriction of the Foundation. The Foundation performs all accounting and administrative functions, as well as appointing the majority voting members to the Board of Directors of the Supporting Foundation.

NOTE 14 RETIREMENT PLAN

The Foundation maintains a defined contribution retirement plan covering all employees who have a minimum of one year of service and work over 1,000 hours per year. Employer contributions are discretionary. Contributions for the year ended June 30, 2025 totaled \$45,683.

NOTE 15 FAIR VALUE MEASUREMENTS

The Foundation reports certain assets at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date. The type of investments that would generally be included in Level 1 includes listed equities and mutual funds.

Level 2 – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1. Fair value is determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

Investments included in this category generally include interests in limited liability companies and real property.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

The Foundation's assets measured at fair value on a recurring basis, along with how fair value was determined, are as follows at June 30, 2025:

	Level 1	Level 2	Level 3	Total
Measured at Fair Value:				
Equity Mutual Funds:				
U.S. Equities	\$ 74,028,154	\$ -	\$ -	\$ 74,028,154
International Equities	4,511,936	-	-	4,511,936
REITs	29,025	-	-	29,025
Bond Mutual Funds:				
Intermediate-Term Bond	45,479,702	-	-	45,479,702
Short-Term Bond	26,001	-	-	26,001
Money Market Funds	9,518,990	-	-	9,518,990
Real Property	-	-	580,000	580,000
Assets Held in Charitable Trusts	-	-	1,491,895	1,491,895
Assets Held in Charitable Gift Annuities	<u>854,977</u>	<u>-</u>	<u>-</u>	<u>854,977</u>
Total Investments at Fair Value	134,448,785	-	2,071,895	136,520,680
Measured Using Equity Method:				
Real Property	-	-	-	2,150,000
	<u><u>\$ 134,448,785</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,071,895</u></u>	<u><u>\$ 138,670,680</u></u>

The changes in financial investments measured at fair value using Level 3 inputs are reflected below for the year ended June 30, 2025:

Balance - Beginning of Year	\$ 4,179,438
Investment Return (Loss), Net	(2,154,022)
Distributions from Trust Held by Third Parties	46,479
Balance - End of Year	<u><u>\$ 2,071,895</u></u>

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessments of the significance of particular inputs to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. There have been no changes in the methodologies used at June 30, 2025.

Investment accounts consisting of equity mutual funds, bond mutual funds, and money market funds are recorded at fair market value based on current quoted market prices provided primarily by the custodians.

Assets held in trusts are recorded at fair value based on quoted market prices provided primarily by the custodians.

Quoted market prices are not available for certain investments, including real property and assets held in charitable trusts. These investments are recorded at their estimated fair market value; therefore, the reported value may differ from the value that would have been used had a quoted market price existed. The valuations of real property include assumptions and methods that were developed in the original appraisals, and then updated, and reviewed by Foundation management.

NOTE 16 EQUITY METHOD INVESTMENT

The following disclosures for the Foundation's unconsolidated equity investment, Converse Court Apartments, 50% owned, presents summarized information for the investee, accounted for under the equity method of accounting at June 30, 2025, is as follows:

Assets	\$ 162,835
Liabilities	<u>50,239</u>
Total Equity	<u><u>\$ 112,596</u></u>
Foundation's Portion of Equity Method Investment	<u><u>\$ 56,298</u></u>

Summarized information for the investee, accounted for under the equity method of accounting, for the year ended June 30, 2025, is as follows:

Revenue	\$ 219,320
Expenses	<u>89,326</u>
Operating Income	<u><u>\$ 129,994</u></u>
Net Other Income	\$ (7,520)
Net Income	<u><u>\$ 122,474</u></u>
Equity in Net Income of Affiliates	<u><u>\$ 61,237</u></u>

**OREGON JEWISH COMMUNITY FOUNDATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 16 EQUITY METHOD INVESTMENT (CONTINUED)

The Foundation eliminates from its financial results all significant intercompany transactions to the extent of its ownership interest with its equity method investee.

The Foundation's investment in the investee is adjusted over time for the difference between the Foundation's basis in the underlying assets and its fair value at the date of acquisition. This difference totaled \$2,093,702 and will be depreciated over 15 years, the expected useful life of the underlying assets.

Dividends from Equity Method Investee

The total amount of dividends received from equity method investee for the year ended June 30, 2025 amounted to \$20,000.

NOTE 17 ENDOWMENT FUNDS

GAAP requires the Foundation to present its net assets and its revenue and gains based upon the existence or absence of donor-imposed restrictions into two classes: without donor restrictions; and with donor restrictions. Accounting standards provide guidance for the classification of donor-restricted endowment funds that are subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Foundation has determined that certain funds it holds meet the definition of endowment under UPMIFA.

The bylaws of the Foundation include variance provisions giving the Board of Trustees the power to modify restrictions or conditions on the distributions of funds it holds under certain limited circumstances. Substantially all contributions received by donors are subject to the terms of the bylaws. The Foundation's consolidated financial statements classify substantially all funds, including the principal of endowment funds, as net assets without donor restrictions but segregate, for internal management and recordkeeping, the portion that is managed as an endowment from the funds that are currently available for grant distribution. All endowments are included in donor fund net assets.

Endowment Investment and Spending Policies

The goal of the Foundation's investment program for funds held as endowment is to achieve a total rate of return that will allow the Foundation to respond to today's needs and the long-term growth necessary to respond to future needs. The investment objective for endowed funds is to retain and, when possible, increase the purchasing power of the funds while at the same time producing a reasonable return for distribution to meet current community needs. To meet this investment objective, the Foundation follows a total-return strategy in which investment decisions are made with the intent of maximizing the long-term total return of the portfolio, combining market value changes and current yield.

The Foundation's endowments are managed for perpetuity and the maintenance of purchasing power. The spending policy calculates the amount of money annually distributed from the Foundation's endowed funds for grant making. The fund's spending percentage for endowed funds ranges from 4.5% to 5%. The trustees intend to spend from these assets only an amount allowable under its spending policy, said policy established and maintained

**OREGON JEWISH COMMUNITY FOUNDATION
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JUNE 30, 2025**

NOTE 17 ENDOWMENT FUNDS (CONTINUED)

by the trustees, and at a level consistent with the donor's intention for the assets to remain in perpetuity.

The following summarizes the activity in the Foundation's endowment funds for the year ended June 30, 2025:

Endowments - Beginning of Year	\$ 22,757,867
Contributions	2,013,363
Interest and Dividend Income	679,622
Net Gain on Investments	2,234,344
Grants and Distributions	(1,223,757)
Other Expenses	(348,549)
Endowments - End of Year	<u>\$ 26,112,890</u>

Amounts summarized above include interfund transactions between endowment funds and nonendowment funds.



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