

THE JEWISH FOUNDATION OF  
GREATER NEW HAVEN, INC.

12/31/16

FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2016

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees of  
The Jewish Foundation of Greater New Haven, Inc.  
360 Amity Road  
Woodbridge, CT 06525

We have audited the accompanying financial statements of The Jewish Foundation of Greater New Haven, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and cash flows for the year 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 auditors' 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 the entity'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 the entity'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 The Jewish Foundation of Greater New Haven, Inc. as of December 31, 2016, 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.

A handwritten signature in black ink, reading "Jeffrey S. Longman, P.C.". The signature is written in a cursive style with a large initial "J".

Woodbridge, Connecticut

July 25, 2017

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2016

ASSETS

	<u>2016</u>
Assets	
Cash and Cash Equivalents	\$ 54,646
Unconditional Promises to Give, Net of Allowances for Unredeemed Promises of \$10,000	75,885
Grant and Other Receivables	66,330
Note Receivable	1,306,493
Prepaid Expenses	22,054
Cash Surrender Value of Life Insurance	167,390
Investments	49,728,338
Property and Equipment, Net	<u>12,212</u>
Total Assets	<u>\$ 51,433,348</u>

LIABILITIES AND NET ASSETS

	<u>2016</u>
Liabilities	
Accounts Payable	\$ 54,506
Accrued Liabilities and Allocations	149,852
Liabilities Under Split Interest Agreements	1,898,162
Custodial Accounts	<u>12,917,402</u>
Total Liabilities	<u>15,019,922</u>
Net Assets:	
Unrestricted	2,909,459
Board Designated	116,328
Temporarily Restricted	8,265,634
Permanently Restricted	<u>25,122,005</u>
Total Net Assets	<u>36,413,426</u>
Total Liabilities and Net Assets	<u>\$ 51,433,348</u>

See accompanying notes to the financial statements

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THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Revenue and Support</b>				
Contributions	\$ 194,112	\$ 1,221,440	\$ 604,981	\$ 2,020,533
Investment Return, Net	1,271,533	261,480	-	1,533,013
Other Grants and Contributions	53,500	-	-	53,500
Present Value Adjustment to Split-Interest Agreements	(9,728)	(46,937)	-	(56,665)
Net Assets Released from Restrictions	<u>1,317,545</u>	<u>(1,317,545)</u>	<u>-</u>	<u>-</u>
<b>Total Revenue and Support</b>	<u>2,826,962</u>	<u>118,438</u>	<u>604,981</u>	<u>3,550,381</u>
<b>Expenses</b>				
<b>Grants and Charitable Distributions</b>				
Grants from Unrestricted Funds	241,608	-	-	241,608
Charitable Distributions from Restricted Funds	922,585	-	-	922,585
Charitable Distributions from Charitable Lead Trusts	61,318	-	-	61,318
Grants from Donor Advised Funds	936,290	-	-	936,290
Other Fund Distributions	<u>125,215</u>	<u>-</u>	<u>-</u>	<u>125,215</u>
<b>Total Grants and Charitable Distributions</b>	<u>2,287,016</u>	<u>-</u>	<u>-</u>	<u>2,287,016</u>
<b>Foundation Programs</b>				
Wages Taxes & Fringes	17,867	-	-	17,867
Program Expenses	17,965	-	-	17,965
Marketing	4,623	-	-	4,623
Professional Fees	<u>1,565</u>	<u>-</u>	<u>-</u>	<u>1,565</u>
<b>Total Foundation Programs</b>	<u>42,020</u>	<u>-</u>	<u>-</u>	<u>42,020</u>

See accompanying notes to the financial statements

Exhibit: B - Page 4

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Management and General</b>				
Wages Taxes & Fringes	159,650	-	-	159,650
Program Expenses	45,708	-	-	45,708
Utilities	9,578	-	-	9,578
Bank and Payroll Fees	5,621	-	-	5,621
Marketing	26,523	-	-	26,523
Administrative Fees	49,960	-	-	49,960
Professional Fees	40,612	-	-	40,612
Depreciation	1,509	-	-	1,509
<b>Total Management and General</b>	<u>339,161</u>	<u>-</u>	<u>-</u>	<u>339,161</u>
<b>Fundraising</b>				
Wages Taxes & Fringes	99,015	-	-	99,015
Program Expenses	61,076	-	-	61,076
Utilities	3,093	-	-	3,093
Marketing	26,010	-	-	26,010
Professional Fees	8,106	-	-	8,106
Bad Debt Expense	-	-	-	-
<b>Total Fundraising</b>	<u>197,300</u>	<u>-</u>	<u>-</u>	<u>197,300</u>
<b>Total Expenses</b>	<u>2,865,497</u>	<u>-</u>	<u>-</u>	<u>2,865,497</u>
<b>Change in Net Assets</b>	(38,535)	118,438	604,981	684,884
<b>Net Assets - Beginning of Year</b>	<u>3,064,322</u>	<u>8,147,196</u>	<u>24,517,024</u>	<u>35,728,542</u>
<b>Net Assets - End of Year</b>	<u>\$ 3,025,787</u>	<u>\$ 8,265,634</u>	<u>\$25,122,005</u>	<u>\$36,413,426</u>

See accompanying notes to the financial statements

Exhibit: B - Page 5

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016</u>
Cash Flows from Operating Activities:	
Change in Net Assets	\$ 684,884
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities:	
Depreciation and Amortization	1,509
Net Realized and Unrealized Gains/Losses on Investments	(1,005,773)
Non-Cash Gifts Received	(534,332)
Net Increase in Cash Surrender Value of Life Insurance	(23,681)
Contributions Restricted to Long-Term Investments	(604,981)
Decrease (Increase) in Assets:	
Grant and Other Receivables	(26,048)
Unconditional Promises to Give	(12,757)
Prepaid Expenses	(14,151)
Increase (Decrease) in Liabilities	
Accounts Payable	(35,714)
Accrued Liabilities and Allocations	(33,241)
Net Cash Used in Operating Activities	<u>(1,604,285)</u>
Cash Flows from Investing Activities:	
Purchases of Property and Equipment	(2,050)
Purchases of Long-Term Investments	(19,811,270)
Proceeds from Sales of Long-Term Investments	20,479,559
Net Cash Provided by Investing Activities	<u>666,239</u>
Cash Flows from Financing Activities:	
Increase in Custodial Accounts	379,574
Decrease in Split Interest Agreements	(56,665)
Proceeds from Contributions Restricted for Investment in Endowment	604,981
Net Cash Provided by Financing Activities	<u>927,890</u>
Net Decrease in Cash and Cash Equivalents	(10,156)
Cash and Cash Equivalents - Beginning of Year	<u>64,802</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 54,646</u></u>

See accompanying notes to the financial statements

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THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Jewish Foundation of Greater New Haven, Inc. (the Foundation) is a nonprofit charitable organization described in Internal Revenue code Section 501(c)(3). The Foundation is a Type 1 supporting organization to The Jewish Federation of Greater New Haven, Inc. Located at 360 Amity Road in Woodbridge, Connecticut, the Foundation is supported by donor contributions and bequests.

Basis of Accounting

The Foundation prepares its financial statements in accordance with U.S. generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Net Asset Classification

Accounting standards provide guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (“UPMIFA”). The accounting standards also improve disclosures about an organization’s endowment funds, both donor restricted endowment funds and board designated endowment funds, whether or not the organization is subject to UPMIFA. On October 1, 2007, UPMIFA became a law in Connecticut.

The Foundation’s net assets and related revenues and support are classified based upon the existence or absence of donor-imposed stipulations, as follows:

*Unrestricted Net Assets*

Net assets include expendable resources of The Foundation that are used for carrying on The Foundation’s mission.

*Temporarily Restricted Net Assets*

Net assets whose use by The Foundation is limited by Donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of The Foundation pursuant to these stipulations.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Classification (Continued)

*Permanently Restricted Net Assets*

Net assets whose use by The Foundation is limited by donor-imposed stipulations requiring such resources to be maintained in perpetuity, and the income there from utilized for operating or other donor-restricted purposes.

The Foundation receives gifts of cash and other assets with donor stipulations that limit the use of the donated assets. For those donor-restricted cash contributions whose restrictions are met in the same fiscal year as the receipts, the contributions are reported as unrestricted contributions. Donor-restricted contributions, whose restrictions are not met in the same fiscal year, are recorded as temporarily restricted. When the donor-restriction expires, that is when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statement of activities as net assets released from restrictions.

Contributed Services

A substantial number of volunteers, approximately 100 each year, donate their time and perform a variety of tasks that assist the Foundation. These services do not meet the criteria for recording as contributions under U.S. generally accepted accounting principles. During the year ended December 31, 2016, the value of contributed services, meeting the requirements for recognition, in the financial statements is deemed not material and has not been recorded.

Promises to Give

Contributions are recognized when the donor makes an unconditional promise to give. Contributions that are restricted by the donor, that are released from restrictions within the fiscal year in which the contributions are recognized, are reported as increases in unrestricted net assets. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, restricted net assets are reclassified to unrestricted net assets.

The allowance method is used to determine uncollectible unconditional promise receivables. The allowance is based on prior years' experience and management's analysis of specific promises made.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Investments

The Foundation's investments are stated at fair value. The Foundation's investments in mutual funds are valued at the net asset fair value of shares held. In addition, these funds have daily or monthly liquidity with trades settling between one to three days. Investments in common stock are valued using quoted market prices reported on the active market upon which the individual securities are traded. The fair values of the fixed income securities are determined based on valuations provided by an independent pricing service.

Dividend and interest income, as well as gains or losses on investments, are reported in the statement of activities as either increases or decreases in unrestricted net assets unless their use is temporarily restricted by donor stipulations or by law.

The Foundation's investments are monitored by the Foundation's Investment Committee and are executed in a manner consistent with policies and guidelines established by the Investment Committee and approved by the Board of Trustees. In addition to market risks, the Foundation is also exposed to credit losses up to the amount of the investments in the event of nonperformance by other parties to the investment transactions. However, nonperformance by the counterparties is not anticipated.

When an investment is received as a donation or bequest, the fair value is recorded as the cost of the investment. Net Investment returns are recorded in unrestricted net assets unless otherwise restricted by the contributors.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Custodial Accounts

The Foundation acts as an agent for other organizations for the purpose of being able to utilize the Foundation's investment expertise. The assets and the return on investment of those assets are to be used on behalf of the other organizations.

Functional Allocation of Expenses

Direct expenses are allocated, in total, to their respective programs. Indirect expenses are allocated to programs based on various equitable formula methods.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the accompanying financial statements and related notes. Actual results could differ from those estimates.

Federal Income Tax

The Foundation is a not-for-profit organization exempt from taxation under Internal Revenue Code section 501(c)(3) and is not considered a private foundation. The Foundation is required to file Federal Form 990 annually.

The Foundation believes that it has appropriate support for income tax positions taken. Therefore, management has not identified any uncertain income tax positions. Generally, income tax returns related to the last three years remain open for examination by taxing authorities.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 2 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give, are summarized as follows as of December 31:

Unconditional Promises Expected to be Collected in:	2016
Less Than One Year	\$ 17,799
One to Five Years	68,086
Less Allowance for Unredeemed Promises	<u>(10,000)</u>
Unconditional Promises to Give	<u>\$ 75,885</u>

NOTE 3 – GRANT AND OTHER RECEIVABLES

Grants, miscellaneous and interest income receivables have been reviewed with management and are determined to be collectible as of December 31, 2016.

NOTE 4 – NOTE RECEIVABLE

Note receivable on December 31 is summarized as follows:

Camp Laurelwood

In March 2007, the Foundation granted Camp Laurelwood a line of credit of \$1,500,000. In January 2012, the Foundation converted the line of credit into a term loan using a variable interest rate linked to either; the Foundation's spending policy (4.00% for the year ended December 31, 2016) or the Wall Street Journal's prime rate (3.75% as of December 31, 2016), whichever is greater. The outstanding balance on this note as of December 31, 2016 is \$1,306,493. The note is secured by a mortgage on the property owned by Camp Laurelwood. Future principal and interest payments on the outstanding balance are amortized until the year 2036. On December 15, 2015 the Foundation's Board of Trustees approved a modification to the Camp Laurelwood Note Receivable. The modification consists of no payments until February 1, 2016, then beginning February 1, 2016 to January 31, 2017 interest only payments at half the spending policy of the Jewish Foundation of Greater New Haven, Inc. for the prior fiscal year, then February 1, 2017 to January 2025 interest only increases to the full spending policy, adjustable annually, and then on February 1, 2025 the Note Receivable will be amortized on a 30 year schedule, adjustable annually, with an interest rate equal to the spending policy.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 4 – NOTE RECEIVABLE (CONTINUED)

The aggregate annual maturities of the Note Receivable as of December 31, 2016 are as follows:

<u>Year</u>	<u>Amount</u>
2017	\$ -
2018	-
2019	-
2020	-
2021	-
Thereafter	<u>1,306,493</u>
Total	<u>\$ 1,306,493</u>

NOTE 5 – LONG-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS

The investments of the Foundation consist primarily of cash and cash equivalents, mutual funds, hedge funds, limited partnerships and fixed income securities. In accordance with its approved investment practices and policies, investments held by the Foundation are to be conservative and diversified in order to preserve capital, achieve the proper liquidity requirement of the Foundation and avoid inappropriate concentration of credit and interest rate risk, while striving to maximize returns.

The Foundation reports its equity and fixed income investments at fair market value. Unrealized gains and losses are included as a component of investment return, net in the accompanying statements of activities.

Cost and market values of investments as of December 31, 2016 are summarized as follows:

	<u>Cost</u>	<u>Market</u>
Cash and Cash Equivalents	\$ 748,415	\$ 748,415
Mutual Funds	20,464,555	24,349,780
Hedge Funds	9,972,250	10,753,093
Limited Partnerships	7,174,761	7,098,324
Fixed Income Securities	<u>7,101,183</u>	<u>6,778,726</u>
Total Investments	<u>\$ 45,461,164</u>	<u>\$ 49,728,338</u>

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 5 – LONG-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS  
(CONTINUED)

ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value, which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, and expands disclosures about fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to this measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).

The Foundation follows a valuation hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

*Level 1:* Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

*Level 2:* Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

*Level 3:* Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs. The Foundation does not have any Level 3 assets as of December 31, 2016.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, the Foundation uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers nonperformance risk in its assessment of fair value.

The following is a description of the Foundation's valuation methodologies for assets measured at fair value. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers and brokers.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 5 – LONG-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS  
(CONTINUED)

Investment assets at fair value as of December 31, 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash & Cash Equivalents	\$ 748,415	\$ -	\$ -	\$ 748,415
Mutual Funds	24,349,780	-	-	24,349,780
Hedge Funds	-	10,753,093	-	10,753,093
Limited Partnerships	-	7,098,324	-	7,098,324
Fixed Income Securities	<u>6,778,726</u>	<u>-</u>	<u>-</u>	<u>6,778,726</u>
<b>Total</b>	<u>\$31,876,921</u>	<u>\$17,851,417</u>	<u>\$ -</u>	<u>\$49,728,338</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. The Foundation evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits.

Interest and investment income, net, is comprised of the following for the year ended December 31, 2016:

	<u>Total</u>
Dividend and Interest Income, Net	\$ 443,453
Foundation Administration Fee	365,004
Net increase in the fair value of investments	<u>1,089,560</u>
Subtotal	1,898,017
Less: Foundation Administration Fee	<u>(365,004)</u>
<b>Total</b>	<u>\$ 1,533,013</u>

Realized gains and losses on investments represent the change in market value from the balance sheet date to the date of sale. Changes in market value for investments held by the Foundation are reflected as a net increase or decrease in the fair value of investments, a component of investment return in the accompanying statements of activities.



THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 5 – LONG-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS  
(CONTINUED)

Net investment revenues are netted against management investment expenses, including custodial fees and investment advisory fees paid which amounted to \$97,320 for the year ended December 31, 2016.

Below is the investment liquidity schedule as of December 31, 2016:

<u>Investments</u>	<u>Inception</u>	<u>Subscriptions</u>	<u>Daily</u>	<u>Monthly</u>	<u>Semi Liquid</u>	<u>Illiquid</u>
<u>Global Equity</u>						
Vanguard Total Stock Index Admiral Fund	Feb-11	Daily	\$ 9,070,603	\$ -	\$ -	\$ -
Artisan Midcap Instl Fund	Dec-99	Daily	1,675,039	-	-	-
Wedge Midcap Value Account	Feb-15	Daily	2,031,423	-	-	-
Dodge & Cox Intl Stock Fund	Aug-05	Daily	2,647,010	-	-	-
Sanderson Intl Value Tobacco-Free Fund	Aug-04	Monthly	-	2,398,048	-	-
Artisan International Instl Fund	Dec-01	Daily	2,403,059	-	-	-
Parametric Tax-Mgd Emg Mkts Instl Fund	Nov-07	Daily	1,767,630	-	-	-
<u>Private Equity</u>						
Private Equity	Aug-08	Illiquid	-	-	-	1,157,542
<u>Flexible Capital</u>						
Flexible Capital	Feb-04	Semi-Liquid	-	-	10,823,208	-
<u>Real Assets</u>						
Vanguard Inflation-Protected Sec Adm Fund	Feb-09	Daily	1,199,983	-	-	-
AEW Global property Securities Fund LP	Aug-09	Monthly	-	2,920,859	-	-
Victory Global Natural Resources Fund	Jul-13	Daily	293,992	-	-	-
The TAP Fund LTD Class USD (T-BILL)	Aug-09	Monthly	-	616,606	-	-
Private Real Assets	Sep-08	Illiquid	-	-	-	1,060,193
<u>Global Fixed Income</u>						
IR&M Core Bond Fund II	Dec-03	Monthly	-	2,000,379	-	-
Metro West Total Ret I Fund	Sep-14	Daily	1,812,725	-	-	-
Vanguard Inter-Term Treasury Adm Fd	Dec-08	Daily	1,748,648	-	-	-
Baird Short-Term Bond Institutional Fund	Oct-16	Daily	1,145,768	-	-	-
Templeton Global Bond R6 Fund	Oct-10	Daily	826,361	-	-	-
Colchester Global Bond Fund	May-16	Monthly	-	964,828	-	-
<u>Liquid Capital</u>						
Total Liquid Capital	Dec-97	Daily	421,721	-	-	-
Total (\$)			<u>\$27,043,962</u>	<u>\$8,900,720</u>	<u>\$10,823,208</u>	<u>\$2,217,735</u>
Total (%)			55.2%	18.2%	22.1%	4.5%

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 5 – LONG-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS  
(CONTINUED)

The following table summarizes and discloses the flexible capital detail of semi-liquid investments:

Investment	Tranche	Subscription Frequency	Subscription Date	Market Value	Redemption Frequency	Notice Period (Days)	Redemption Notice Deadline	Next Possible Redemption Date
Forester Diversified Cl A, Ltd.	A2-5/15/15	Quarterly	May-15	\$ 625,828	Annual	95	3/27/17	6/30/17
Forester Diversified Cl A, Ltd.	A2-6/1/13	Quarterly	Jun-13	1,092,911	Annual	95	3/27/17	6/30/17
Forester Diversified Cl A, Ltd.	A2-8/1/10	Quarterly	Aug-07	2,312,651	Annual	95	5/28/17	8/31/17
Forester Diversified Cl A, Ltd.	A2-4/1/12	Quarterly	Apr-12	837,967	Annual	95	12/26/17	3/31/18
Archstone Offshore Fund, Ltd.	N/A	Monthly	Jul-06	3,901,990	Quarterly	90	4/01/17	6/30/17
Anchorage Capital Partners Offshore	D	Monthly	Sep-15	1,001,589	Annual	90	7/02/17	9/30/17
Och Ziff Overseas Fund II, Ltd.	N/A	Monthly	Feb-16	1,050,272	Annual	90	12/31/17	3/31/18
<b>Total</b>				<u>\$10,823,208</u>				

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 5 – LONG-TERM INVESTMENTS AND FAIR VALUE MEASUREMENTS  
(CONTINUED)

Fair value and other restrictions, as well as unfunded commitments related to illiquid private equity and private real asset investments are summarized and disclosed in the following table:

	<u>Fair Value</u>	<u>Remaining Commitment</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Global Private Equity				
Landmark Equity Partners XIV	\$ 396,296	\$ 65,303	N/A	N/A
Park Street Capital Private Equity Fund	468,186	95,000	N/A	N/A
Landmark Equity Partners XV	293,060	589,731	N/A	N/A
Total Global Private Equity	<u>\$ 1,157,542</u>	<u>\$ 750,034</u>		
Non-Marketable Real Assets				
Common fund Natural Resources	\$ 333,006	\$ 45,000	N/A	N/A
Park Street Capital Natural Resources	356,949	68,750	N/A	N/A
VIA Energy Fund	370,238	600,000	N/A	N/A
Total Non-Marketable Real Assets	<u>\$ 1,060,193</u>	<u>\$ 713,750</u>		
Total Illiquid	<u>\$ 2,217,735</u>	<u>\$ 1,463,784</u>		

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Depreciation is being provided by use of the straight-line method over the assets' estimated useful lives as follows:

	<u>Estimated Life in Years</u>	<u>2016</u>
Furniture, Fixtures and Equipment	5-15 Years	\$ 73,665
Less: Accumulated Depreciation		<u>(61,453)</u>
Total		<u>\$ 12,212</u>

Depreciation expense for the year ended December 31, 2016 is \$1,509.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 7 – SPLIT-INTEREST AGREEMENTS

The Foundation's split-interest agreements with donors consist of charitable gift annuities, charitable lead trusts and irrevocable charitable remainder trusts for which the Foundation serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance to the respective donor agreements. Contribution revenues for charitable gift annuities, charitable remainder trusts, and charitable lead trusts are recognized on the date the agreements are established after recording liabilities for the present value of the estimated future payments to be made to the respective donors and/or other beneficiaries. Assets held in split-interest agreements totaled \$1,993,882 on December 31, 2016 and are reported at fair market value in the Foundation's statement of financial position. On an annual basis, the Foundation revalues the liabilities to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments are \$1,898,162 at December 31, 2016 calculated using discount rates and applicable mortality tables.

NOTE 8 - NET ASSETS

Unrestricted net assets of \$3,025,787 for the year ended December 31, 2016 include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as board designations. Board designated, unrestricted net assets, totaled \$116,328 for the year ended December 31, 2016.

Temporarily restricted net assets of \$8,265,634 consist of the following:

	<u>2016</u>
Philanthropic Funds	\$ 4,770,409
Charitable Remainder Trusts	1,502,914
Charitable Gift Annuities	490,968
Tzedakah Funds	217,876
Miscellaneous Funds	<u>1,283,466</u>
Total	<u>\$ 8,265,634</u>

Permanently restricted net assets of \$25,122,005, for the year ended December 31, 2016, are restricted to investment in perpetuity, including many various donor restricted funds, the income from which is expendable to support programs services.

THE JEWISH FOUNDATION OF GREATER NEW HAVEN, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

NOTE 9 – CONCENTRATION OF CREDIT RISK DEBT

Credit Risk

The Foundation maintains demand deposits and money market funds at financial institutions. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. Government. The uninsured portions of cash and money market accounts are backed solely by the assets of the underlying institution. Consequently, the failure of an institution could result in financial loss. However, the Foundation has not experienced any losses on these accounts in the past, and management believes the risk of loss, if any, to be minimal.

Market Risk

The Foundation invests in a diverse professionally managed portfolio of investments. Such investments are exposed to potential market volatility. Therefore, the Foundation's investments may be subject to significant fluctuations in fair value. Consequently, the investment amounts reported in the accompanying financial statements may not be reflective of the portfolio's fair value during subsequent periods.

NOTE 10 – STATEMENTS OF CASH FLOWS

Supplemental disclosure of cash flow information:

	<u>2016</u>
Cash paid during the short year for:	
Interest	\$ -
Non Cash Gifts received	\$ 534,332

NOTE 11 – SUBSEQUENT EVENTS

The Foundation evaluates the impact of subsequent events, which are events that occur after the balance sheet date but before the financial statements are issued for potential recognition in the financial statements. As of the balance sheet date, for the year ended December 31, 2016, the Foundation evaluated subsequent events through July 25, 2017 which is the date the financial statements were issued. No events occurred that require disclosure or adjustment to the financial statements.