

**ASSOCIATION FOR JEWISH STUDIES, INC.**

Audited Financial Statements

December 31, 2022



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Association for Jewish Studies, Inc.

### ***Opinion***

We have audited the accompanying financial statements of Association for Jewish Studies, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2022, and 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 the Organization as of December 31, 2022, and the changes in 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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, which raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's 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 auditor's 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 generally accepted auditing standards 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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, which raise substantial doubt about the Organization'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***

The financial statements of the Organization as of and for the year ended December 31, 2021, were audited by other auditors whose report dated June 8, 2022, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects with the audited financial statements from which it was derived.

*Sax CPAs LLP*

New York, NY  
June 25, 2023

**ASSOCIATION FOR JEWISH STUDIES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AT DECEMBER 31, 2022**

(With comparative totals at December 31, 2021)

	<u>12/31/22</u>	<u>12/31/21</u>
<b>Assets</b>		
Cash and cash equivalents	\$465,321	\$532,749
Investments (Note 3)	2,219,127	2,416,835
Contributions receivable	11,009	88,690
Other receivables	77,760	55,508
Prepaid expenses and other assets	<u>33,401</u>	<u>42,709</u>
Total assets	<u><u>\$2,806,618</u></u>	<u><u>\$3,136,491</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$407,286	\$301,075
Deferred revenue	<u>5,893</u>	<u>12,327</u>
Total liabilities	<u><u>413,179</u></u>	<u><u>313,402</u></u>
Net assets:		
Without donor restrictions	903,703	1,103,098
With donor restrictions (Note 4)	<u>1,489,736</u>	<u>1,719,991</u>
Total net assets	<u><u>2,393,439</u></u>	<u><u>2,823,089</u></u>
Total liabilities and net assets	<u><u>\$2,806,618</u></u>	<u><u>\$3,136,491</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**ASSOCIATION FOR JEWISH STUDIES, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(With comparative totals for the year ended December 31, 2021)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 12/31/22</u>	<u>Total 12/31/21</u>
Public support and revenue:				
Contributions	\$80,157	\$348,000	\$428,157	\$466,676
Forgiveness of Paycheck Protection Program loan (Note 5)			0	95,915
Membership dues	275,920		275,920	255,410
Conference fees	364,371		364,371	260,174
Other income	93,718		93,718	114,412
Investment return (Note 3)	(103,740)	(91,372)	(195,112)	216,301
Net assets released from restrictions (Note 4)	486,883	(486,883)	0	0
Total public support and revenue	<u>1,197,309</u>	<u>(230,255)</u>	<u>967,054</u>	<u>1,408,888</u>
Expenses:				
Program services	1,110,873		1,110,873	1,002,843
Management and general	218,847		218,847	192,529
Fundraising	66,984		66,984	58,565
Total expenses	<u>1,396,704</u>	<u>0</u>	<u>1,396,704</u>	<u>1,253,937</u>
Change in net assets	(199,395)	(230,255)	(429,650)	154,951
Net assets - beginning of year	<u>1,103,098</u>	<u>1,719,991</u>	<u>2,823,089</u>	<u>2,668,138</u>
Net assets - end of year	<u><u>\$903,703</u></u>	<u><u>\$1,489,736</u></u>	<u><u>\$2,393,439</u></u>	<u><u>\$2,823,089</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**ASSOCIATION FOR JEWISH STUDIES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(With comparative totals for the year ended December 31, 2021)

	Program Services	Management and General	Fundraising	Total Expenses 12/31/22	Total Expenses 12/31/21
Salaries	\$300,266	\$104,707	\$28,387	\$433,360	\$431,965
Payroll taxes and employee benefits	72,727	39,131	9,093	120,951	124,122
Professional fees	77,459	37,903	9,483	124,845	94,665
Grants and awards	248,387			248,387	211,097
Rent expense	7,698	8,340	4,110	20,148	26,127
Travel	29,279	816	30	30,125	6,170
Office expenses	519	1,630	277	2,426	2,728
Telecommunications	30,922	11,587	8,033	50,542	47,317
Postage and shipping	8,667	432	2,116	11,215	14,454
Conferences	271,059	3,602	867	275,528	217,212
Printing	14,410	1,585	4,250	20,245	15,552
Outreach and marketing	28,009			28,009	27,651
AJS review	12,358			12,358	13,900
Insurance	6,219	3,218	279	9,716	8,503
Other expenses	2,894	5,896	59	8,849	12,474
Total expenses	<u>\$1,110,873</u>	<u>\$218,847</u>	<u>\$66,984</u>	<u>\$1,396,704</u>	<u>\$1,253,937</u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**ASSOCIATION FOR JEWISH STUDIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(With comparative totals for the year ended December 31, 2021)

	12/31/22	12/31/21
Cash flows from operating activities:		
Change in net assets	(\$429,650)	\$154,951
Adjustments to reconcile change in net assets to net cash (used for)/provided by operating activities:		
Realized and unrealized loss/(gain) on investments	207,374	(201,348)
Changes in assets and liabilities:		
Contributions receivable	77,681	(52,067)
Other receivables	(22,252)	(18,303)
Prepaid expenses and other assets	9,308	(22,500)
Accounts payable and accrued expenses	106,211	229,963
Deferred revenue	(6,434)	1,632
Total adjustments	371,888	(62,623)
Net cash (used for)/provided by operating activities	(57,762)	92,328
 Cash flows from investing activities:		
Purchases of investments (including reinvested dividends)	(9,666)	(14,924)
Net cash used for investing activities	(9,666)	(14,924)
 Net (decrease)/increase in cash and cash equivalents	(67,428)	77,404
 Cash and cash equivalents - beginning of year	532,749	455,345
 Cash and cash equivalents - end of year	\$465,321	\$532,749
 Supplemental information:		
Interest and taxes paid	\$0	\$0

*The attached notes and auditor's report are an integral part of these financial statements.*

**ASSOCIATION FOR JEWISH STUDIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 1 - Organization**

Association for Jewish Studies, Inc. (the "Organization"), incorporated in 1970, is a learned society, and professional organization which seeks to advance research and teaching in Jewish Studies at colleges, universities, and other institutions of higher learning, and to foster greater understanding of Jewish Studies scholarship among the wider public. The Organization is supported primarily through grants, contributions, member dues, and annual conference related fees.

The Organization has been notified by the Internal Revenue Service that it is a not-for-profit organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation.

**Note 2 - Summary of Significant Accounting Policies**

a. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid.

b. Recently Adopted Accounting Standards

Effective January 1, 2022, the Organization adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2016-02, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2021). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. Adoption of this standard did not have a material impact on the Organization's financial statements.

Effective January 1, 2022, the Organization adopted FASB ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures. Adoption of this standard did not have a material impact on the Organization's financial statements.

c. Basis of Presentation

The Organization reports information regarding its financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* - represents those resources for which there are no restrictions by donors as to their use.

- *Net Assets With Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

d. Revenue Recognition

The Organization follows the requirements of the FASB's Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recorded at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they are received, they are classified as without donor restrictions.

The Organization evaluates whether contributions are conditional or unconditional. Contributions are considered to be conditional when both a barrier must be overcome for the Organization to be entitled to the revenue and a right of return of the asset or right of release from the obligation exists.

Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

The Organization follows FASB ASC 606 for recognizing revenue from contracts with customers. Membership dues are recognized as the performance obligation is satisfied over the term of the membership period. Conference fees are recognized when the conference takes place. Membership dues, conferences fees, and other income that have not been collected at year end are reflected as accounts receivable. Amounts collected in advance are treated as deferred revenue.

All receivables are due within one year. Management assesses the collectability of all outstanding receivables based upon historical trends and experience with donors. Based on that review, management has concluded that all receivables at year end are collectible. As such, no allowance for uncollectible accounts was deemed necessary.

e. Cash and Cash Equivalents

The Organization considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

f. Concentration of Credit Risk

Financial instruments which potentially subject the Organization to a concentration of credit risk consist of cash, money market accounts and investment securities, which are placed at financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits. At year end, the Organization had uninsured balances. However, management feels they have little risk and have not experienced any losses due to bank failure.

The market value of investments is subject to fluctuation; however, management believes that the investment policy is prudent for the long-term welfare of the Organization.

g. Investments

Investments are recorded at fair value, which refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses, interest and dividends, and investment fees are included in investment return on the statement of activities.

h. Fixed Assets

Fixed assets are capitalized at cost, or if donated, at the estimated fair value at the time of donation. There were no fixed assets at December 31, 2022 or 2021.

i. Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use ("ROU") assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. All leases at December 31, 2022 had a term of 12 months or less.

j. In-Kind Contributions

Donated services are recognized when they create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind.

Board members volunteer their time and perform a variety of tasks that assist the Organization. These activities do not meet the criteria to be recorded and have not been included in the financial statements.

k. Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

l. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Salaries expense is allocated based on time and effort.

The following costs are allocated based on salary allocations:

- Payroll taxes and employee benefits
- Rent expense

All other expenses have been charged directly to the applicable program or supporting services.

m. Advertising Costs

Advertising costs are expensed as incurred.

n. Accounting for Uncertainty of Income Taxes

The Organization does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ended December 31, 2019 and later are subject to examination by applicable taxing authorities.

o. Summarized Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

**Note 3 - Investments**

Accounting standards establish a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The Organization's investments at December 31, 2022 and 2021 consisted of an open-end fund and an investment in a Limited Partnership. The fair value of the open-end fund has been determined by using publicly quoted market prices, which are considered Level 1 inputs. The fair value of the investment in the Limited Partnership has been determined using the net asset value ("NAV") per share as a practical expedient and has not been classified in the fair value hierarchy. The NAV is based upon the most recent available information provided by management of the Limited Partnership and may differ from the values that would have been used had a ready market for such an investment existed.

Management reviews and evaluates the values provided by the fund manager and agrees with the valuation methods and assumptions used in determining the fair value.

Investment balances were as follows:

	<u>December 31, 2022</u>		
	<u>Level 1</u>	<u>NAV</u>	<u>Total</u>
Mutual Fund - Corporate Bonds	\$412,187	\$0	\$412,187
Limited Partnership	<u>0</u>	<u>1,806,941</u>	<u>1,806,941</u>
Total	<u>\$412,187</u>	<u>\$1,806,941</u>	<u>\$2,219,127</u>

	<u>December 31, 2021</u>		
	<u>Level 1</u>	<u>NAV</u>	<u>Total</u>
Mutual Fund - Corporate Bonds	\$478,070	\$0	\$478,070
Limited Partnership	<u>0</u>	<u>1,938,765</u>	<u>1,938,765</u>
Total	<u>\$478,070</u>	<u>\$1,938,765</u>	<u>\$2,416,835</u>

Fair value calculations may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

Full withdrawal of the Organization's interest in the Limited Partnership is limited to redemption on December 31<sup>st</sup> of any calendar year with at least 92 days advance written notice for redemption. Partial withdrawals up to \$1,000,000 are permitted at the discretion of the Limited Partnership's Records Partner, as defined in the agreement, at any time during the year.

The following summarizes the investment return:

	<u>12/31/22</u>	<u>12/31/21</u>
Interest and dividends	\$27,178	\$29,769
Realized and unrealized (loss)/gain	(207,374)	201,348
Investment fees	<u>(14,916)</u>	<u>(14,816)</u>
Total investment return	<u>(\$195,112)</u>	<u>\$216,301</u>

**Note 4 - Net Assets With Donor Restrictions**

The following summarizes the changes in net assets with donor restrictions:

	<u>December 31, 2022</u>			
	Beginning Balance <u>1/1/22</u>	Increases/ (Decreases)	Released from Restrictions	Ending Balance <u>12/31/22</u>
Program Restrictions:				
Legacy Heritage Jewish Studies Project	\$9,189	\$0	(\$9,189)	\$0
Podcast	20,000	49,000	(20,000)	49,000
Jordan Schnitzer Book Award	61,022	171,000	(206,427)	25,595
Jordan Schnitzer Author Publication Award	46,587	36,500	(57,032)	26,054
Jordan Schnitzer DLP Travel Fund	39,865	0	(7,581)	32,284
Annual Conference Travel and Attendance Grants	49,623	25,000	(47,250)	27,374
2022 Annual Conference	10,404	0	(10,404)	0
Writing Beyond the Academy	0	41,000	(0)	41,000
Foundation for Jewish Culture	1,468,247	(91,372)	(114,000)	1,262,875
Paula Hyman Fund	54	500	(0)	554
Total Program Restrictions	<u>1,704,991</u>	<u>231,628</u>	<u>(471,883)</u>	<u>1,464,736</u>
Time Restricted (2022-2023)	<u>15,000</u>	<u>25,000</u>	<u>(15,000)</u>	<u>25,000</u>
Total	<u>\$1,719,991</u>	<u>\$256,628</u>	<u>(\$486,883)</u>	<u>\$1,489,736</u>
	<u>December 31, 2021</u>			
	Beginning Balance <u>1/1/21</u>	Increases/ (Decreases)	Released from Restrictions	Ending Balance <u>12/31/21</u>
Program Restrictions:				
Legacy Heritage Jewish Studies Project	\$138,584	\$0	(\$129,395)	\$9,189
Podcast	15,900	20,000	(15,900)	20,000
Jordan Schnitzer Book Award	47,693	178,918	(165,589)	61,022
Jordan Schnitzer Author Publication Award	0	53,360	(6,773)	46,587
Jordan Schnitzer DLP Travel Fund	37,037	23,575	(20,747)	39,865
Annual Conference Travel and Attendance Grants	41,496	29,575	(21,448)	49,623
Childcare Grants for Annual Conference	725	1,275	(2,000)	0
2022 Annual Conference	0	10,404	(0)	10,404
Foundation for Jewish Culture	1,318,584	149,663	(0)	1,468,247
Paula Hyman Fund	729	0	(675)	54
Total Program Restrictions	<u>1,600,748</u>	<u>466,770</u>	<u>(362,527)</u>	<u>1,704,991</u>
Time Restricted (2021-2022)	<u>15,000</u>	<u>15,000</u>	<u>(15,000)</u>	<u>15,000</u>
Total	<u>\$1,615,748</u>	<u>\$481,770</u>	<u>(\$377,527)</u>	<u>\$1,719,991</u>

**Note 5 - Forgiveness of Paycheck Protection Program Loan**

During the year ended December 31, 2021, the Organization obtained a loan from the Small Business Administration (“SBA”) through the Paycheck Protection Program (“PPP”). Terms of the loan indicated that if certain conditions were met, which included maintaining average work forces during periods subsequent to receipt of the loan funds that were not less than pre-determined historical periods, that the loan, or a portion thereof, could be forgiven.

The Organization accounts for the PPP loan as a conditional contribution in accordance with FASB ASC 958-605. The Organization met all of the conditions during 2021 and was notified that full forgiveness was approved by the SBA. Therefore, this was recognized as revenue during the year ended December 31, 2021.

**Note 6 - Retirement Plan**

The Organization sponsors a defined contribution 403(b) retirement plan. All full-time employees with one month of service are eligible to participate. Under the plan the Organization contributes 10% of each eligible enrolled employee’s compensation, which totaled approximately \$40,000 and \$42,000 during 2022 and 2021, respectively.

**Note 7 - Commitments**

The Organization occupies office space under a lease agreement. The lease agreement expired on December 31, 2022 and runs month to month in 2023.

The Organization has entered into agreements to hold its annual conferences at various locations as follows:

<u>Event</u>	<u>Date</u>
2023 Annual Conference - San Francisco, CA	December 17 - 19, 2023
2025 Annual Conference - Washington, DC	December 12 - 18, 2025

The 2024 Annual Conference will be held virtually.

**Note 8 - Availability and Liquidity**

The following reflects the Organization’s financial assets at December 31, 2022 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	\$465,321
Investments	2,219,127
Contributions receivable	11,009
Other receivables	<u>77,760</u>
Total financial assets	\$2,773,217
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	<u>(1,704,991)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,068,226</u>

The Organization maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, the Organization operates its programs within a board approved budget and relies on contributions and earned income to fund its operations and program activities.

**Note 9 - Subsequent Events**

Subsequent events have been evaluated through June 25, 2023, the date the financial statements were available to be issued. There were no material events that have occurred that require adjustment to or disclosure to the financial statements.