

**JEWISH FAMILY SERVICES
OF DELAWARE INC.**

**CONSOLIDATED FINANCIAL STATEMENTS,
INDEPENDENT AUDITOR'S REPORTS, SINGLE
AUDIT, AND SUPPLEMENTARY
INFORMATION**

DECEMBER 31, 2023 AND 2022

JEWISH FAMILY SERVICES OF DELAWARE INC.
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Independent Auditor's Report

To the Board of Directors of
Jewish Family Services of Delaware Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jewish Family Services of Delaware Inc. and affiliate (nonprofit organizations), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Jewish Family Services of Delaware Inc. and affiliate as of December 31, 2023 and 2022, and the changes in their net assets and their cash flows for the years 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of Jewish Family Services of Delaware Inc. and affiliate 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 opinions.

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.

To the Board of Directors of
Jewish Family Services of Delaware Inc.

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 Jewish Family Services of Delaware Inc. and affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's 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 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 and *Government 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 Jewish Family Services of Delaware Inc. and affiliate'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 Jewish Family Services of Delaware Inc. and affiliate's ability to continue as a going concern for a reasonable period of time.

To the Board of Directors of
Jewish Family Services of Delaware Inc.

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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the consolidating schedules of financial position and activities, and the schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2024, on our consideration of Jewish Family Services of Delaware Inc. and affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jewish Family Services of Delaware Inc. and affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jewish Family Services of Delaware Inc. and affiliate's internal control over financial reporting and compliance.

Belfint, Lyons & Shuman, P.A.

May 31, 2024

Wilmington, Delaware

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,282,627	\$ 1,562,763
Cash and Cash Equivalents - Restricted for Capital Projects	39,161	215,630
Patient Accounts Receivable - Net of Allowance for Credit Losses of \$194,249 for 2023	212,901	130,087
Grants Receivable	600,561	500,296
Prepaid Expenses	62,193	13,746
TOTAL CURRENT ASSETS	2,197,443	2,422,522
PROPERTY AND EQUIPMENT		
Furniture, Fixtures, and Equipment	640,139	646,789
Less: Accumulated Depreciation	(567,116)	(583,247)
NET PROPERTY AND EQUIPMENT	73,023	63,542
OTHER ASSETS		
Security Deposits	2,250	2,250
Right-of-Use Assets - Operating Leases	400,664	23,512
Investments	221,955	196,453
Beneficial Interest in Funds Held at Delaware Community Foundation	278,179	246,351
TOTAL OTHER ASSETS	903,048	468,566
TOTAL ASSETS	\$ 3,173,514	\$ 2,954,630

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION - CONTINUED
DECEMBER 31, 2023 AND 2022

LIABILITIES AND NET ASSETS

	2023	2022
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 246,569	\$ 258,000
Accrued Pension Expense	48,997	32,106
Accrued Interest Payable	-	1,028
Line of Credit	210,000	250,000
Current Maturities of Operating Lease Liability	93,732	7,491
TOTAL CURRENT LIABILITIES	599,298	548,625
OTHER LIABILITIES		
Operating Lease Liability - Net of Current Maturities	306,932	16,021
TOTAL LIABILITIES	906,230	564,646
NET ASSETS		
Without Donor Restrictions		
Undesignated	821,360	639,165
Board-Designated Operating Reserve	110,146	260,019
Board-Designated Endowment Funds	217,852	192,577
Total Without Donor Restrictions	1,149,358	1,091,761
With Donor Restrictions		
Purpose Restricted	835,644	1,047,996
Donor-Restricted Endowment Funds	282,282	250,227
Total With Donor Restrictions	1,117,926	1,298,223
TOTAL NET ASSETS	2,267,284	2,389,984
TOTAL LIABILITIES AND NET ASSETS	\$ 3,173,514	\$ 2,954,630

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE FROM OPERATIONS			
Public Support			
Contributions	\$ 311,896	\$ 39,418	\$ 351,314
United Way of Delaware	44,317	-	44,317
Jewish Federation of Delaware Allocations	90,000	-	90,000
Grants from Government Agencies	3,077,625	340,000	3,417,625
Other Grants	189,483	347,615	537,098
Total Public Support	<u>3,713,321</u>	<u>727,033</u>	<u>4,440,354</u>
Program Fees			
Counseling Fees and Contract Revenue	1,423,867	-	1,423,867
Care Management	228,682	-	228,682
Total Program Fees	<u>1,652,549</u>	<u>-</u>	<u>1,652,549</u>
TOTAL SUPPORT AND REVENUE FROM OPERATIONS	<u>5,365,870</u>	<u>727,033</u>	<u>6,092,903</u>
OPERATING EXPENSES			
Program Services			
Counseling	3,926,209	-	3,926,209
Care Management	381,215	-	381,215
Youth and Family	1,087,160	-	1,087,160
Total Program Services	<u>5,394,584</u>	<u>-</u>	<u>5,394,584</u>
Supporting Services			
Management and General	594,647	-	594,647
Fundraising	298,515	-	298,515
Total Supporting Services	<u>893,162</u>	<u>-</u>	<u>893,162</u>
TOTAL OPERATING EXPENSES	<u>6,287,746</u>	<u>-</u>	<u>6,287,746</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>(921,876)</u>	<u>727,033</u>	<u>(194,843)</u>
NONOPERATING REVENUE			
Interest and Dividends - Net of Fees	3,584	2,841	6,425
Gains on Investments	21,677	29,551	51,228
Loss on Disposal of Assets	(11,339)	-	(11,339)
Government Grant - Employee Retention Credit	25,829	-	25,829
TOTAL NONOPERATING REVENUE	<u>39,751</u>	<u>32,392</u>	<u>72,143</u>
Net Assets Released from Restrictions	939,722	(939,722)	-
CHANGE IN NET ASSETS	57,597	(180,297)	(122,700)
NET ASSETS - Beginning of Year	<u>1,091,761</u>	<u>1,298,223</u>	<u>2,389,984</u>
NET ASSETS - End of Year	<u>\$ 1,149,358</u>	<u>\$ 1,117,926</u>	<u>\$ 2,267,284</u>

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE FROM OPERATIONS			
Public Support			
Contributions	\$ 162,299	\$ 65,209	\$ 227,508
United Way of Delaware	44,937	-	44,937
Jewish Federation of Delaware Allocations	100,000	-	100,000
Grants from Government Agencies	1,841,265	1,000,000	2,841,265
Other Grants	298,402	164,000	462,402
Total Public Support	<u>2,446,903</u>	<u>1,229,209</u>	<u>3,676,112</u>
Program Fees			
Counseling Fees and Contract Revenue	1,321,952	-	1,321,952
Care Management	207,386	-	207,386
Total Program Fees	<u>1,529,338</u>	<u>-</u>	<u>1,529,338</u>
TOTAL SUPPORT AND REVENUE FROM OPERATIONS	<u>3,976,241</u>	<u>1,229,209</u>	<u>5,205,450</u>
OPERATING EXPENSES			
Program Services			
Counseling	2,823,131	-	2,823,131
Care Management	418,362	-	418,362
Youth and Family	1,036,785	-	1,036,785
Total Program Services	<u>4,278,278</u>	<u>-</u>	<u>4,278,278</u>
Supporting Services			
Management and General	759,268	-	759,268
Fundraising	151,634	-	151,634
Total Supporting Services	<u>910,902</u>	<u>-</u>	<u>910,902</u>
TOTAL OPERATING EXPENSES	<u>5,189,180</u>	<u>-</u>	<u>5,189,180</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>(1,212,939)</u>	<u>1,229,209</u>	<u>16,270</u>
NONOPERATING REVENUE			
Interest and Dividends - Net of Fees	2,669	2,440	5,109
Losses on Investments	(86,272)	(45,481)	(131,753)
Government Grant - Employee Retention Credit	207,794	-	207,794
TOTAL NONOPERATING REVENUE	<u>124,191</u>	<u>(43,041)</u>	<u>81,150</u>
Net Assets Released from Restrictions	700,435	(700,435)	-
CHANGE IN NET ASSETS	<u>(388,313)</u>	<u>485,733</u>	<u>97,420</u>
NET ASSETS - Beginning of Year	<u>1,480,074</u>	<u>812,490</u>	<u>2,292,564</u>
NET ASSETS - End of Year	<u>\$ 1,091,761</u>	<u>\$ 1,298,223</u>	<u>\$ 2,389,984</u>

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services				Supporting Services			
	Counseling	Care Management	Youth and Family	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
SALARIES AND RELATED EXPENSES								
Salaries	\$ 2,558,865	\$ 181,646	\$ 607,405	\$ 3,347,916	\$ 216,080	\$ 222,628	\$ 438,708	\$ 3,786,624
Employee Retirement Benefits	31,683	546	3,726	35,955	552	4,780	5,332	41,287
Employee Benefits	260,741	13,043	44,731	318,515	49,259	21,221	70,480	388,995
Payroll Taxes	192,172	13,676	45,378	251,226	19,086	16,725	35,811	287,037
TOTAL SALARIES AND RELATED EXPENSES	3,043,461	208,911	701,240	3,953,612	284,977	265,354	550,331	4,503,943
OTHER EXPENSES								
Advertising and Marketing	10,970	808	7,266	19,044	1,630	262	1,892	20,936
Bad Debt Expense	-	-	-	-	76,330	-	76,330	76,330
Bank, Payroll, and 401(k) Fees	12,908	1,390	3,774	18,072	28,017	957	28,974	47,046
Conferences and Staff Training	106,741	270	1,616	108,627	22,023	-	22,023	130,650
Contract Services	289,917	105,712	20,938	416,567	70,938	20,155	91,093	507,660
Dues and Subscriptions	3,125	100	15	3,240	11,819	-	11,819	15,059
Equipment Rental and Maintenance	12,450	916	7,090	20,456	13,725	523	14,248	34,704
Insurance	23,657	6,126	7,568	37,351	4,382	1,593	5,975	43,326
Interest	11,049	1,311	3,558	15,918	2,060	749	2,809	18,727
Janitorial and Maintenance	89	11	29	129	17	6	23	152
Mileage and Expense Allowances	83,379	1,684	8,845	93,908	1,406	-	1,406	95,314
Miscellaneous Expense	3,456	361	3,267	7,084	852	109	961	8,045
Office Supplies	3,127	375	1,225	4,727	7,099	13	7,112	11,839
Outside Printing and Publications	306	-	-	306	2,886	-	2,886	3,192
Postage	218	-	19	237	1,526	-	1,526	1,763
Program Supplies	22,379	3,348	5,578	31,305	15,869	-	15,869	47,174
Rent and Occupancy	65,494	7,582	22,605	95,681	38,883	4,603	43,486	139,167
Software Licenses	155,885	2,425	8,947	167,257	4,588	1,606	6,194	173,451
Special Assistance and Other Program Expenses	28,258	34,981	270,203	333,442	-	-	-	333,442
Telephone and Internet	42,970	4,148	11,326	58,444	4,432	2,153	6,585	65,029
TOTAL OTHER EXPENSES	876,378	171,548	383,869	1,431,795	308,482	32,729	341,211	1,773,006
Depreciation of Property and Equipment	6,370	756	2,051	9,177	1,188	432	1,620	10,797
TOTAL EXPENSES	\$ 3,926,209	\$ 381,215	\$ 1,087,160	\$ 5,394,584	\$ 594,647	\$ 298,515	\$ 893,162	\$ 6,287,746

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services			Supporting Services				Total
	Counseling	Care Management	Youth and Family	Total Program Services	Management and General	Fundraising	Total Supporting Services	
SALARIES AND RELATED EXPENSES								
Salaries	\$ 1,946,292	\$ 231,068	\$ 493,582	\$ 2,670,942	\$ 344,062	\$ 102,516	\$ 446,578	\$ 3,117,520
Employee Retirement Benefits	22,289	2,981	6,368	31,638	4,196	1,079	5,275	36,913
Employee Benefits	129,056	20,852	27,441	177,349	26,365	7,077	33,442	210,791
Payroll Taxes	141,201	16,533	36,150	193,884	24,241	7,636	31,877	225,761
Unemployment Insurance	1,932	259	552	2,743	364	93	457	3,200
TOTAL SALARIES AND RELATED EXPENSES	2,240,770	271,693	564,093	3,076,556	399,228	118,401	517,629	3,594,185
OTHER EXPENSES								
Advertising and Marketing	4,514	-	4,231	8,745	7,707	1,566	9,273	18,018
Bad Debt Expense	-	-	-	-	107,245	-	107,245	107,245
Bank, Payroll, and 401(k) Fees	12,195	1,599	3,415	17,209	19,603	749	20,352	37,561
Conferences and Staff Training	26,913	1,011	11,171	39,095	4,625	365	4,990	44,085
Contract Services	187,054	90,613	15,617	293,284	169,763	20,311	190,074	483,358
Dues and Subscriptions	8,953	1,057	1,882	11,892	1,570	319	1,889	13,781
Equipment Rental and Maintenance	30,963	4,204	9,940	45,107	4,188	1,475	5,663	50,770
Insurance	24,667	6,686	7,003	38,356	4,612	1,185	5,797	44,153
Interest	-	-	-	-	1,028	-	1,028	1,028
Janitorial and Maintenance	2,355	315	673	3,343	443	114	557	3,900
Mileage and Expense Allowances	8,607	4,797	12,037	25,441	1,565	-	1,565	27,006
Miscellaneous Expense	2,169	328	4,011	6,508	2,950	102	3,052	9,560
Office Supplies	3,729	743	1,514	5,986	7,840	16	7,856	13,842
Outside Printing and Publications	235	136	-	371	3,157	-	3,157	3,528
Postage	1,457	176	375	2,008	255	63	318	2,326
Program Supplies	3,231	5,402	11,213	19,846	-	-	-	19,846
Rent and Occupancy	81,438	10,614	22,659	114,711	15,577	4,016	19,593	134,304
Software Licenses	140,037	2,811	7,489	150,337	2,102	1,140	3,242	153,579
Special Assistance and Other Program Expenses	300	10,796	346,601	357,697	-	-	-	357,697
Telephone and Internet	32,033	3,793	9,090	44,916	3,628	1,018	4,646	49,562
TOTAL OTHER EXPENSES	570,850	145,081	468,921	1,184,852	357,858	32,439	390,297	1,575,149
Depreciation of Property and Equipment	11,511	1,588	3,771	16,870	2,182	794	2,976	19,846
TOTAL EXPENSES	\$ 2,823,131	\$ 418,362	\$ 1,036,785	\$ 4,278,278	\$ 759,268	\$ 151,634	\$ 910,902	\$ 5,189,180

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Donors, Grantors, Third-Party Payers, and Patients	\$ 5,842,233	\$ 5,246,541
Cash Paid to Suppliers and Employees	(6,213,540)	(4,965,079)
Interest Paid	(19,755)	-
Interest and Dividends Received	12,176	13,449
	(378,886)	294,911
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(32,717)	(21,713)
Proceeds from Disposal of Property and Equipment	1,100	-
Amounts Withdrawn from Investments	337	250,353
Reinvested Earnings and Amounts Deposited into Investments	(6,439)	(5,029)
	(37,719)	223,611
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Line of Credit	-	250,000
Principal Payments on Line of Credit	(40,000)	-
	(40,000)	250,000
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(456,605)	768,522
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - Beginning of Year	1,778,393	1,009,871
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - End of Year	\$ 1,321,788	\$ 1,778,393
NONCASH INVESTING AND FINANCING ACTIVITIES		
Right-of-Use Operating Lease Assets Acquired Through		
Operating Lease Liability	\$ 458,789	\$ 119,873

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FROM OPERATING ACTIVITIES		
Change in Net Assets	<u>\$ (122,700)</u>	<u>\$ 97,420</u>
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities		
Depreciation	10,797	19,846
Bad Debt Expense	76,330	107,245
Loss on Disposal of Property and Equipment	11,339	-
Unrealized Losses (Gains) on Investments	(21,379)	95,682
Realized Losses (Gains) - Investments and Beneficial Interest in Funds at DCF	(29,849)	36,071
Change in Assets		
Patient Accounts Receivable	(159,144)	(71,230)
Grants Receivable	(100,265)	(87,133)
Prepaid Expenses	(48,447)	13,412
Right-of-Use Assets - Operating Leases	81,637	119,678
Change in Liabilities		
Accounts Payable and Accrued Expenses	(11,431)	50,464
Accrued Pension Expense	16,891	32,106
Accrued Interest Payable	(1,028)	1,028
Operating Lease Liability	<u>(81,637)</u>	<u>(119,678)</u>
 Total Adjustments	 <u>(256,186)</u>	 <u>197,491</u>
 NET CASH FROM OPERATING ACTIVITIES	 <u>\$ (378,886)</u>	 <u>\$ 294,911</u>

The accompanying notes are an integral part of these consolidated financial statements.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - The purpose of Jewish Family Services of Delaware Inc. (JFS), a nonprofit organization located in Wilmington, Delaware, is to strengthen individuals, families, and the community by providing counseling and support services, based on Jewish values.

On July 1, 2020, JFS was named sole corporate member of Cancer Care Connection, Inc., a separate nonprofit organization. This transaction was treated as an acquisition in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-805, *Business Combination*.

Cancer Care Connection, Inc. (CCC), is dedicated to being a comprehensive psychosocial resource for people affected by cancer. CCC pursues its mission by guiding individuals through the complex care delivery system and linking them to the services they seek, as well as providing therapeutic interventions to reduce cancer related distress. CCC's core program provides professionally staffed, phone-based support and in-person therapy at cancer center partner locations.

Principles of Consolidation - The accompanying consolidated financial statements include the accounts of JFS and CCC. All intercompany accounts and transactions have been eliminated. In these consolidated financial statements, JFS and CCC are collectively referred to as the Organization.

Basis of Accounting - The Organization prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting.

Change in Accounting Principle - In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-13, *Financial Instruments - Credit Losses* (Topic 326), which significantly changes how organizations measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through changes in net assets. The most significant change is a shift from the incurred loss model to the expected loss model. Under Topic 326, disclosures are required to provide users of the financial statements with useful information in analyzing an organization's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in Topic 326 were patient accounts receivable.

The Organization adopted the standard effective January 1, 2023. The impact of adoption was not considered material to the consolidated financial statements and primarily resulted in enhanced disclosures only.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Organization considers all cash and highly liquid investments with maturities of three months or less at the time acquired to be cash and cash equivalents.

Patient Accounts Receivable and Credit Losses - The Organization provides counseling and care services, and its accounts receivable are derived from amounts due from patients and insurance companies. Accounts receivable are stated at their estimated net realizable value, with initial estimates of contract allowances and credit losses considered in determining the contract price. At each consolidated statement of financial position date, the Organization recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist and individually when they do not share similar risk characteristics.

The allowance estimate is derived from a review of the Organization's historical losses based on the ageing of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Organization. The Organization believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses.

The allowance for credit losses was \$194,249 as of December 31, 2023. The Organization writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the Organization's accounting policy election. Bad debt expense totaled \$76,330 and \$107,245 for the years ended December 31, 2023 and 2022, respectively.

Allowance for doubtful accounts was \$154,993 as of December 31, 2022.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Grants Receivable - Grants receivable represent pledged grants or amounts due from government agencies. There were no long-term contributions or grants receivable as of December 31, 2023 and 2022. As of December 31, 2023, management believes grants receivable will be fully collected within one year; therefore, no allowance has been recorded.

Property and Equipment - Property and equipment are stated at cost when purchased by the Organization. The Organization's capitalization threshold is \$5,000. Acquisitions below this amount are expensed. The costs of capitalized assets are depreciated over the estimated useful lives of the assets on a straight-line basis. Useful lives range from 3 to 10 years.

Investments - Under ASC 958, investments are reported at their fair value in the consolidated statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as net assets with donor restrictions and are then reclassified to net assets without donor restrictions upon expiration of the time or purpose restriction. Contributed securities are recorded at their fair value at date of receipt.

Financial Statement Presentation - In accordance with FASB ASC 958, *Not-for-Profit Entities*, net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions, although their use may be limited by board designation.

Net Assets With Donor Restrictions - Net assets subject to donor- or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Financial Statement Presentation - Continued

Net Assets With Donor Restrictions - Continued

The Organization has elected the simultaneous release accounting policy for cost-reimbursement government grants and, accordingly, reports such grants as increases in net assets without donor restrictions.

Revenue Recognition for Contributions and Grants - Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met. Certain government grants are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses for the Organization's programs. As of December 31, 2023 and 2022, conditional contributions of \$2,809,062, and \$4,254,861, respectively, for which no amounts have been received in advance, have not been recognized in the accompanying consolidated financial statements. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions.

In-Kind Contributions - The Organization's contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at their estimated fair values. The Organization does not sell these donated goods. In addition to contributed nonfinancial assets, volunteers contribute time to program services and administrative activities; however, the consolidated financial statements do not reflect the value of these contributed services, because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods and services are recorded at fair value at the date of donation. No significant contributions of such goods or services were received during the years ended December 31, 2023 and 2022.

Donations of property and equipment are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. In the absence of explicit donor stipulations, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenue Recognition for Contracts with Customers - In accordance with FASB ASC 606, the Organization recognizes revenue resulting from exchange transactions when it satisfies its performance obligations by transferring control over a product or service to a customer. The following is a description of the principal exchange transactions from which the Organization generates revenue from contracts with customers:

Counseling Fees and Contract Revenues - The Organization provides a network of support to provide counseling and care services to strengthen individuals, families, and the community. These services are generally provided on demand, and revenue is recognized at a point in time when services are provided. Counseling fees are comprised of direct payments from patients, insurance payments, as well as subsidy payments made on behalf of families from the State of Delaware's Division of Prevention and Behavioral Health.

Care Management - Revenue from care management consists primarily of services provided to assist and advocate for older or physically disabled individuals. Services provided include social and wellness activities, assistance with application for benefits and medical care, as well as mental health, legal or financial services. The Organization also provides dementia-specific medical care to individuals with dementia and social support for their caregivers.

Since June 2018, the Organization has had a contract with a local senior housing facility to provide care management services to residents. In December 2022, the contract was renewed for a term of 24 months. The contract for services has the same timing and pattern of transfer and is a series of distinct services that are considered one performance obligation that is satisfied over a period of time. Accordingly, revenue is recognized on a monthly basis over the contract period. In addition, care management services are offered to individuals. These services are generally provided on demand, and revenue is recognized at the point in time services are provided.

Care management includes services provided under the former JFS Village Network program that provides older adults the services needed to enhance quality of life, remain active, and encourage independence. Revenue from membership fees is recognized on a monthly basis over the membership period. The Organization also provides transportation services to older adults and recognizes revenue at the point in time the related services are delivered.

Program fees received in advance of satisfying performance obligations are deferred to the applicable period in which the related service obligations are performed.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on a reasonable basis that is consistently applied. Salary and related expenses are allocated based on time and effort. Insurance, rent and occupancy, telephone and internet, janitorial and maintenance, depreciation, and conferences and staff training expenses are allocated based direct costs and each program's percentage of total costs.

Advertising - The Organization expenses the cost of advertising when incurred.

Income Taxes - JFS and CCC are nonprofit organizations exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC); therefore, no provision for income taxes has been made in the accompanying consolidated financial statements. The organizations have also been classified as entities that are not private foundations within the meaning of Section 509(a) and qualify for deductible contributions as provided in Section 170(b)(1)(A)(vi).

Income not related to the organizations' tax-exempt purpose may be subject to taxation as unrelated business income. Accounting principles generally accepted in the United States of America impose a threshold for determining when an income tax benefit can be recognized in regard to uncertain tax positions. The Organization has determined that no liability for uncertain tax positions is required to be accrued and included in the consolidated statements of financial position as of December 31, 2023 and 2022. The federal informational returns of JFS and CCC are subject to examination by the tax authorities, generally for three years after they are filed.

Subsequent Events - The Organization's policy is to evaluate events and transactions subsequent to its year end for potential recognition in the consolidated financial statements or disclosure in the notes to the consolidated financial statements. Management has evaluated events and transactions through the date of the independent auditor's report, which is the date the consolidated financial statements were available to be issued.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 2: AVAILABILITY AND LIQUIDITY

The following reflects the Organization's financial assets as of the date of the consolidated statements of financial position, reduced by amounts not available for general use because of contractual, board-designated, or donor-imposed restrictions within one year of the consolidated statements of financial position date:

	<u>2023</u>	<u>2022</u>
Financial Assets as of December 31		
Cash and Cash Equivalents	\$ 1,282,627	\$ 1,562,763
Cash and Cash Equivalents - Restricted for Capital Projects	39,161	215,630
Patient Accounts Receivable - Net	212,901	130,087
Grants Receivable	600,561	500,296
Investments	221,955	196,453
Beneficial Interests in Funds Held at Delaware Community Foundation	<u>278,179</u>	<u>246,351</u>
 Total Financial Assets as of December 31	 2,635,384	 2,851,580
Less: Amounts Not Available for General Expenditures Within One Year		
Board-Designated Operating Reserve	(110,146)	(260,019)
Board-Designated Endowment Funds in Excess of Annual Spending Policy	(212,475)	(187,824)
Donor-Imposed Purpose Restrictions	(835,644)	(1,047,996)
Donor-Restricted Endowment Funds in Excess of Annual Spending Policy	(281,378)	(249,463)
Contractual Obligation - Unspent Fellowship Program Income	<u>(29,467)</u>	<u>(29,983)</u>
 Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	 <u>\$ 1,166,274</u>	 <u>\$ 1,076,295</u>

The Organization has a goal to maintain financial assets on hand to meet 90 days of normal operating expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

As described in Note 11, as of December 31, 2023, the Organization had available lines of credit totaling \$90,000 that could be drawn upon in the event of an unanticipated liquidity need. As noted in the chart above, the Organization also has a board-designated operating reserve that could be used in the event of financial distress. The Organization has a policy to budget in a manner to build the operating reserve by a minimum of 30,000 each year.

All donor-restricted and board-designated endowment funds held in investments are subject to an annual spending policy of 3%, and all donor-restricted and board-designated endowment funds held at Delaware Community Foundation are subject to an annual spending policy of 5%, as described in Note 10. Endowment fund amounts in excess of the annual spending policy have been reflected as unavailable for general expenditures within one year in the preceding chart.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 2: AVAILABILITY AND LIQUIDITY - CONTINUED

Although the Organization does not intend to spend from the board-designated endowment funds (other than amounts appropriated for general expenditures through the annual spending policy), these amounts could be made available by a board resolution in the event of financial distress or an immediate liquidity need.

NOTE 3: CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

	2023	2022
Cash and Cash Equivalents	\$ 1,282,627	\$ 1,562,763
Cash and Cash Equivalents - Restricted for Capital Projects	39,161	215,630
 Total Cash, Cash Equivalents, and Restricted Cash Reported on the Statements of Cash Flows	 \$ 1,321,788	 \$ 1,778,393

NOTE 4: CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at various financial institutions, which at times exceed federally insured limits. Although the Organization's cash balances may exceed insured limits in the normal course of business, in the management's opinion, there is no substantial risk associated with this concentration. The amount of credit exposure in excess of federally insured limits for cash and cash equivalents as of December 31, 2023 and 2022, was \$875,463 and \$1,320,841, respectively.

NOTE 5: ALLOWANCE FOR CREDIT LOSSES

Changes in allowance for credit losses for the year ended December 31, 2023 were as follows:

Beginning Balance	\$	154,993
Provision for Credit Losses		40,292
Write-offs		(1,036)
Recoveries		-
Ending Balance	\$	194,249

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 6: FURNITURE, FIXTURES, AND EQUIPMENT

Furniture, fixtures, and equipment consisted of the following as of December 31:

	2023	2022
Improvements	\$ 218,626	\$ 171,309
Furniture and Fixtures	194,443	226,697
Office Equipment	227,070	227,070
Construction in Progress	-	21,713
	640,139	646,789
Less: Accumulated Depreciation	(567,116)	(583,247)
Furniture, Fixtures, and Equipment - Net	\$ 73,023	\$ 63,542

NOTE 7: INVESTMENTS

The Organization has invested funds with Jewish Fund for the Future. The underlying investments are marketable debt and equity securities. Investments are marked to market on a regular basis by Jewish Fund for the Future, and the Organization recognizes its investments at fair value accordingly. Cost and fair value of the investments were as follows as of December 31:

	Jewish Fund for the Future	Cost	Fair Value
2023		\$ 172,271	\$ 221,955
2022		168,148	196,453

NOTE 8: BENEFICIAL INTEREST IN FUNDS HELD AT DELAWARE COMMUNITY FOUNDATION

The Organization established a fund at Delaware Community Foundation (DCF) and designated itself as the beneficiary subject to the terms of the fund agreement. The purpose of the Jewish Family Services of Delaware Fund (Fund) is to provide for the long-term stability of the Organization. In order to carry out the purpose and objective of the Fund, the Organization and DCF must agree upon a percentage of principal assets of the Fund to be distributed to the Organization annually. The Organization recognizes its investments held by DCF in accordance with FASB ASC 958. The Organization is entitled to receive quarterly distributions of income. The investment balance at DCF was \$278,179 and \$246,351 as of December 31, 2023 and 2022, respectively. There were no distributions from the Fund during the years ended December 31, 2023 and 2022.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 9: FAIR VALUE MEASUREMENTS

The Organization follows the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*. Under FASB ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

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. Since valuations are based on quoted market prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

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.

Fair values of assets measured on a recurring basis were as follows as of December 31:

	2023			
Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Investments	\$ 221,955	\$ -	\$ 221,955	\$ -
Beneficial Interest in Funds Held at Delaware Community Foundation	<u>278,179</u>	<u>-</u>	<u>278,179</u>	<u>-</u>
Total Investments	<u>\$ 500,134</u>	<u>\$ -</u>	<u>\$ 500,134</u>	<u>\$ -</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 9: FAIR VALUE MEASUREMENTS - CONTINUED

	2022			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments	\$ 196,453	\$ -	\$ 196,453	\$ -
Beneficial Interest in Funds Held at Delaware Community Foundation	246,351	-	246,351	-
Total Investments	\$ 442,804	\$ -	\$ 442,804	\$ -

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

NOTE 10: ENDOWMENT

The Organization's endowment consists of approximately 15 individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds unless there are explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of the initial gift amount donated to the Fund (including promises to give net of discount and allowance for doubtful accounts), (b) the original value of subsequent gifts donated to the Fund, and (c) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the Organization and the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the investment policies of the Organization.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 10: ENDOWMENT - CONTINUED

The fund's net asset composition based on the existence or absence of donor-imposed restrictions was as follows as of December 31:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 217,852	\$ -	\$ 217,852
Donor-Restricted Endowment Funds			
Original Gift Amounts Required to be Retained in Perpetuity	-	127,656	127,656
Accumulated Investment Gains	-	154,626	154,626
Total Donor-Restricted Endowment Funds	-	282,282	282,282
Total Endowment Funds	<u>\$ 217,852</u>	<u>\$ 282,282</u>	<u>\$ 500,134</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 192,577	\$ -	\$ 192,577
Donor-Restricted Endowment Funds			
Original Gift Amounts Required to be Retained in Perpetuity	-	127,656	127,656
Accumulated Investment Gains	-	122,571	122,571
Total Donor-Restricted Endowment Funds	-	250,227	250,227
Total Endowment Funds	<u>\$ 192,577</u>	<u>\$ 250,227</u>	<u>\$ 442,804</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 10: ENDOWMENT - CONTINUED

Changes in endowment net assets for the years ended December 31, 2023 and 2022, were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - January 1, 2022	\$ 526,260	\$ 293,621	\$ 819,881
Investment Return (Loss)			
Investment Income - Net of Fees	2,589	2,440	5,029
Net Losses - Realized and Unrealized	<u>(86,272)</u>	<u>(45,481)</u>	<u>(131,753)</u>
Total Investment Return (Loss)	<u>(83,683)</u>	<u>(43,041)</u>	<u>(126,724)</u>
Contributions	<u>-</u>	<u>-</u>	<u>-</u>
Appropriation of Endowment Assets for Expenditure	<u>(250,000)</u>	<u>(353)</u>	<u>(250,353)</u>
Endowment Net Assets - December 31, 2022	<u>192,577</u>	<u>250,227</u>	<u>442,804</u>
Investment Return			
Investment Income - Net of Fees	3,445	2,841	6,286
Net Gains - Realized and Unrealized	<u>21,830</u>	<u>29,551</u>	<u>51,381</u>
Total Investment Return	<u>25,275</u>	<u>32,392</u>	<u>57,667</u>
Contributions	<u>-</u>	<u>-</u>	<u>-</u>
Appropriation of Endowment Assets for Expenditure	<u>-</u>	<u>(337)</u>	<u>(337)</u>
Endowment Net Assets - December 31, 2023	<u>\$ 217,852</u>	<u>\$ 282,282</u>	<u>\$ 500,134</u>

Spending Policy - The Organization's policy allows annual distributions up to 3% of the fund's prior year fair value that is held in investments and 5% of the fund's prior year fair value that is held at Delaware Community Foundation. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to continue to grow. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional growth through new gifts and investment return.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 10: ENDOWMENT - CONTINUED

Investment Return Objectives and Risk Parameters - The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s), as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide an average rate of return that is sufficient to offset normal inflation plus the spending policy. Actual returns in any given year may vary from this amount.

Investment Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Funds with Deficiencies - From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are to be reported in net assets with donor restrictions. There were no deficiencies in funds as of December 31, 2023 and 2022.

NOTE 11: LINE OF CREDIT

JFS had an available line of credit from TD Bank of \$250,000 as of December 31, 2023 and 2022. The line of credit bears interest at a rate equal to the *Wall Street Journal* prime rate, with a floor of 7.00%. The effective rate of the line of credit as of December 31, 2023 and 2022, was 8.50% and 7.50%, respectively. The line is secured by all assets of JFS. As of December 31, 2023 and 2022, the line had an outstanding balance of \$210,000 and \$250,000, respectively.

Subsequent to the year ended December 31, 2023, JFS opened a \$250,000 revolving line of credit with PNC bank. The line of credit has an expiration date of February 14, 2025. Interest is calculated using the one-month term Secured Overnight Financing Rate (SOFR) plus 2.50%.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 11: LINE OF CREDIT - CONTINUED

CCC had an available line of credit from M&T Bank of \$50,000 as of December 31, 2023 and 2022. The interest rate as of December 31, 2023 and 2022, was 12.00% and 9.75%, respectively. As of December 31, 2023 and 2022, there was no outstanding balance.

NOTE 12: NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consisted of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Undesignated	<u>\$ 821,360</u>	<u>\$ 639,165</u>
Board-Designated for Specific Purposes		
Operating Reserve	<u>110,146</u>	<u>260,019</u>
Board-Designated Endowment Funds		
Pizer Fund	45,097	39,849
JFF General Fund	76,033	67,187
Jewish Volunteer Network	13,619	12,034
Barrett Fund	7,561	6,681
Engelmann Fund	8,013	7,080
Blumberg Fund	6,180	5,461
Weiss Fund	2,916	2,576
Zatuchni Family Endowment Fund	6,771	5,983
Tanny Fund	13,122	11,596
General Fund - Held at DCF	25,025	22,162
Grayson Fund - Held at DCF	3,670	3,250
Tanny Fund - Held at DCF	<u>9,845</u>	<u>8,718</u>
Total Board-Designated Endowment Funds	<u>217,852</u>	<u>192,577</u>
Total Net Assets Without Donor Restrictions	<u><u>\$ 1,149,358</u></u>	<u><u>\$ 1,091,761</u></u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 13: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Subject to Expenditure for Specified Purpose		
CCC - Technology	\$ 2,409	\$ 2,578
Maternal Mental Health Program	70,170	98,957
Refugee Resettlement and Support	58,323	101,402
Outpatient Behavioral Health	501,529	397,119
Technology Upgrades	28,385	28,385
Wilmington Office Construction Project	29,161	227,344
Newark Office Construction Project	10,000	10,000
Newark Office Operations and Rent	66,989	84,604
Emergency Mental Health and Support	24,512	6,861
Care Navigation Program	34,498	90,746
Holiday Helpers Program and Food Pantry	9,353	-
COMPASS Memory Café	315	-
	<u>835,644</u>	<u>1,047,996</u>
 Subject to Endowment Spending Policy and Appropriation		
Donor-Restricted Endowment Funds to Support the Organization's Operational Sustainability	<u>282,282</u>	<u>250,227</u>
	<u>\$ 1,117,926</u>	<u>\$ 1,298,223</u>

During the year ended December 31, 2023 and 2022, the Organization recognized \$340,000 and \$1,000,000 of government grant revenue from funds received from the State of Delaware under the American Rescue Plan Act. These are passed through federal funds and are restricted for various purposes. The chart above includes \$514,086 and \$785,803 of remaining donor-restricted funds under these awards as of December 31, 2023 and 2022, respectively.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 13: NET ASSETS WITH DONOR RESTRICTIONS - CONTINUED

Net assets were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors.

	<u>2023</u>	<u>2022</u>
Purpose Restrictions Accomplished		
Play Therapy, COMPASS, and Care Navigation	\$ 685	\$ 4,472
Employment Support Network	-	69,387
CCC - Technology	169	1,969
Maternal Mental Health Program	44,787	126,591
Refugee Resettlement and Support	110,589	160,173
Substance Use Disorder/Anxiety Program	-	50,000
Outpatient Behavioral Health	590,096	166,301
Technology Upgrades	-	41,093
Wilmington Office Construction Project	75,791	12,267
Newark Office Operations and Rent	17,615	2,036
Emergency Mental Health and Support	32,349	8,139
Care Navigation Program	61,248	57,654
Operational Sustainability	337	353
Holiday Helpers Program and Food Pantry	4,756	-
Staff Support and Maintenance of Zatuchni Garden	1,300	-
	<u>\$ 939,722</u>	<u>\$ 700,435</u>
Total Restrictions Released		

NOTE 14: REVENUE FROM CONTRACTS WITH CUSTOMERS

The following tables disaggregate the Organization's revenue based on the timing of satisfaction of performance obligations for the years ended December 31:

	<u>2023</u>		
	<u>Services Provided</u>		
	<u>At a Point in Time</u>	<u>Over Time</u>	<u>Total</u>
Counseling Fees and Contract Revenue	\$ 1,423,867	\$ -	\$ 1,423,867
Care Management	151,376	77,306	228,682
	<u>\$ 1,575,243</u>	<u>\$ 77,306</u>	<u>\$ 1,652,549</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 14: REVENUE FROM CONTRACTS WITH CUSTOMERS - CONTINUED

	2022		
	Services Provided		
	At a Point in Time	Over Time	Total
Counseling Fees and Contract Revenue	\$ 1,321,952	\$ -	\$ 1,321,952
Care Management	135,598	71,788	207,386
	<u>\$ 1,457,550</u>	<u>\$ 71,788</u>	<u>\$ 1,529,338</u>

Accounts receivable from contracts with customers as of December 31, are as follows:

	2023	2022
Beginning of Year	\$ 130,087	\$ 166,102
End of Year	212,901	130,087

NOTE 15: INVESTMENT GAINS (LOSSES)

Investment gains (losses) consisted of the following for the years ended December 31:

	2023	2022
Realized Gains (Losses) - Beneficial Interest in Funds at DCF	\$ 29,390	\$ (42,820)
Realized Gains - Investments	459	6,749
Unrealized Gains (Losses) - Investments	21,379	(95,682)
Total	<u>\$ 51,228</u>	<u>\$ (131,753)</u>

NOTE 16: PENSION PLAN

The Organization sponsors a 401(k)-retirement plan with a safe harbor, employer-matching feature. The safe harbor contributions are a 100% match on employee salary deferrals up to 4% of compensation. Additional matching contributions and qualified non-elective contributions are made at the discretion of the Organization. Eligible employees may participate in elective deferrals on the date of employment. Eligible employees may participate in the safe harbor matching contributions and discretionary employer contributions after completing one year of service and attaining the age of 21.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 16: PENSION PLAN - CONTINUED

Contributions to the plan during the years ended December 31, 2023 and 2022, were \$20,973 and \$26,110, respectively. Pension plan expenses for the years ended December 31, 2023 and 2022, were net of plan forfeitures and totaled \$41,287 and \$36,913, respectively.

NOTE 17: LEASE AGREEMENTS AS LESSEE

JFS leased approximately 1,800 square feet of office space for its satellite office in Lewes, Delaware. The lease was set to expire in November 2023 and required monthly payments of \$2,500, with a 3% increase in the annual base rent each December. The lease was classified as an operating lease and offered an option of renewing for an additional term of four years. In January 2023, JFS entered into an agreement with the landlord to terminate the lease early and moved out of the space on January 1, 2023. Total expense under the lease was \$0 and \$33,091 for the years ended December 31, 2023 and 2022, respectively.

JFS leases 7,274 square feet of office space from the Jewish Federation of Delaware (Federation) at the Harry & Jeanette Weinberg Jewish Community Campus, located in Wilmington, Delaware under an agreement that is classified as an operating lease. The lease, which expired December 31, 2022, was renewed for an additional one-year term, effective January 2023, with the option to renew for four additional one-year terms. On January 1, 2023, a right-of-use asset and lease liability were recorded in the amount of \$419,741. Since it is reasonably certain JFS will exercise these renewal options, a lease term of five years was used to determine the value of the right-of-use asset and lease liability. The lease was renewed for an additional one-year term effective January 2024. Rent is determined annually according to the Federation's facilities management budget and is paid monthly. Total expense under this lease was \$96,420 and \$83,840 for the years ended December 31, 2023 and 2022, respectively.

During the year ended December 31, 2018, JFS entered into a lease agreement classified as an operating lease for office equipment which expired in December 2022. Total expense under this lease was \$9,714 for the year ended December 31, 2022. In January 2023, JFS entered into a new lease agreement classified as an operating lease for office equipment which expires in December 2027. On January 1, 2023, a right-of-use operating lease asset and lease liability were recorded in the amount of \$39,048. The lease requires monthly payments of \$778. Total expense under this lease was \$10,279 for the year ended December 31, 2023.

During the year ended December 31, 2022, JFS entered into a lease agreement classified as an operating lease for office space in Newark, Delaware. The lease commenced on December 1, 2022 and expires on November 30, 2025. The lease requires initial monthly payments of \$750 with a \$50 annual increase in the monthly base rent each December. On December 1, 2022, a right-of-use operating asset and lease liability were recorded in the amount of \$25,799. Total expense under this lease was \$9,000 and \$750 for the years ended December 31, 2023 and 2022, respectively.

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 17: LEASE AGREEMENTS AS LESSEE - CONTINUED

Prior to August 2022, CCC leased office space in Newark, Delaware on a month-to-month basis. During the year ended December 31, 2022, the lease agreement was amended to establish a lease term of one year beginning on August 1, 2022. Following the expiration of the initial term, the lease is automatically extended on a monthly basis unless either party provides written notice of cancellation with 60 days advance notice. As a result of these terms, the lease qualifies for the short-term lease exception in FASB ASC 842. The lease requires initial monthly payments of \$250 with a \$25 annual increase in the monthly base rent each August. Total expense under this lease was \$3,250 and \$2,020 for the years ended December 31, 2023 and 2022, respectively.

As of December 31, 2023, future minimum lease payments under noncancelable leases with terms greater than one year are as follows:

	Operating Leases
2024	\$ 120,603
2025	119,853
2026	111,603
2027	111,603
Total Future Minimum Lease Payments	463,662
Less: Amount Representing Imputed Interest	62,998
Present Value of Future Minimum Lease Payments	400,664
Less: Current Maturities	93,732
Lease Obligations - Net of Current Maturities	\$ 306,932

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 17: LEASE AGREEMENTS AS LESSEE - CONTINUED

The following are required lease disclosures as of and for the year ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash Paid for Amounts in the Measurement of Lease Liabilities		
Operating Cash Flows for Operating Leases	<u>\$ 115,699</u>	<u>\$ 125,578</u>
Right-of-Use Asset Obtained in Exchange for Operating Lease Liability	<u>\$ 458,789</u>	<u>\$ 119,873</u>
Operating Lease Cost	<u>\$ 115,699</u>	<u>\$ 125,578</u>
Weighted-Average Remaining Lease Term - Operating Leases	3.92 Years	2.92 Years
Weighted-Average Discount Rate - Operating Leases	7.50%	7.50%

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

The Organization elected the practical expedient to not separate lease and non-lease components.

NOTE 18: COMMITMENTS

In November 2019, the Organization entered into a contract to license the use of an electronic medical record and practice management software. The contract requires monthly payments of \$2,103 and expires April 2025. Future minimum payments under this contract are as follows for the years ending December 31:

2024	\$ 25,236
2025	<u>8,412</u>
	<u>\$ 33,648</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

NOTE 19: CONTINGENT LIABILITIES - LITIGATION

The Organization is currently involved in a lawsuit, the outcome of which is uncertain. The Organization is vigorously defending itself against these allegations; however, the ultimate outcome of the lawsuit cannot be determined at this time.

As of the date of these consolidated financial statements, the Organization's management, in consultation with legal counsel, has determined that it is not possible to estimate the probability of a material adverse outcome, nor is it possible to estimate the potential range of any financial liability that may result from this lawsuit. Accordingly, no provision for loss related to this lawsuit has been recorded in the accompanying consolidated financial statements. However, should the outcome of the lawsuit result in a material adverse impact on the financial position, results of operations, or cash flows of the Organization, such impact will be recognized in the period in which the determination is made.

SINGLE AUDIT



***Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards***

To the Board of Directors of
Jewish Family Services of Delaware Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Jewish Family Services of Delaware Inc. (JFS) (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2023, 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, and have issued our report thereon dated May 31, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered JFS' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of JFS' internal control. Accordingly, we do not express an opinion on the effectiveness of JFS' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant

To the Board of Directors of
Jewish Family Services of Delaware Inc.

deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether JFS' consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JFS' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JFS' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Belfint, Lyons & Shuman, P.A.

May 31, 2024

Wilmington, Delaware



***Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control over Compliance Required by the Uniform Guidance***

To the Board of Directors of
Jewish Family Services of Delaware Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Jewish Family Services of Delaware Inc.'s (JFS) compliance with the types of compliance requirements identified as a subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on JFS' major federal programs for the year ended December 31, 2023. JFS' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, JFS complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of JFS and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of JFS' compliance with the compliance requirements referred to above.

To the Board of Directors of
Jewish Family Services of Delaware Inc.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to JFS' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on JFS' compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JFS' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 JFS' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of JFS' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of JFS' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

To the Board of Directors of
Jewish Family Services of Delaware Inc.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-01 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on JFS' response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. JFS' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Belfint, Lyons & Shuman, P.A.

May 31, 2024

Wilmington, Delaware

JEWISH FAMILY SERVICES OF DELAWARE INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Fed. CFDA Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>Department of State</u>			
HIAS Inc. U.S. Refugee Admissions Program	19.510	\$ 148,231	\$ -
<u>Department of Treasury</u>			
State of Delaware COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	590,004	-
<u>Department of Health and Human Services</u>			
Direct Award Community Funded Projects	93.493	1,575,119	-
Delaware - Department of Services for Children, Youth and Their Families MaryLee Allen Promoting Safe and Stable Families Program	93.556	14,392	-
HIAS Inc. Refugee and Entrant Assistance Discretionary Grants	93.576	394,687	-
Delaware - Department of Services for Children, Youth and Their Families Block Grants for Community Mental Health Services	93.958	146,799	-
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 2,869,232	\$ -

JEWISH FAMILY SERVICES OF DELAWARE INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2023

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Jewish Family Services of Delaware Inc. (JFS) under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the activities of the operations of JFS, it is not intended to, and does not, present the consolidated financial position, changes in net assets, or cash flows of JFS.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

JFS has elected to use the 10 percent de minimis indirect cost rate for federal awards as allowed under the Uniform Guidance.

NOTE 3: LOW-RISK AUDITEE DETERMINATION

To be classified as a low-risk auditee, an organization must have been subject to audits performed in accordance with the Uniform Guidance for each of the preceding two fiscal years. This is the second year JFS was subject to an audit in accordance with the Uniform Guidance, and therefore, does not qualify as a low-risk auditee.

JEWISH FAMILY SERVICES OF DELAWARE INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2023

I. Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

- Material Weaknesses Identified? Yes No
- Significant Deficiencies Identified that are Not Considered to be Material Weaknesses? Yes None Reported
- Noncompliance Material to Financial Statements Noted? Yes No

Federal Awards

Internal Control Over Major Programs:

- Material Weaknesses Identified? Yes No
- Significant Deficiencies Identified that are Not Considered to be Material Weaknesses? Yes None Reported

Type of Auditor's Report Issued on Compliance for Major Programs: Unmodified

Any Audit Findings Disclosed that are Required to be Reported in Accordance with the Uniform Guidance? Yes No

Identification of Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.493	Community Funded Projects

Dollar Threshold Used to Distinguish between Type A and Type B Programs: \$ 750,000

Auditee Qualified as Low-Risk Auditee? Yes No

JEWISH FAMILY SERVICES OF DELAWARE INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
DECEMBER 31, 2023

II. Financial Statement Findings

No Current Year Findings

III. Federal Award Findings and Questioned Costs

Finding Reference Number: 2023-001

Type of Finding: Significant Deficiency in Internal Control over Compliance

Major Program: 93.493 - Community Funded Projects (Grantor - Department of Health and Human Services)

Compliance Requirement: Allowable Costs/Cost Principles

Criteria: The requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance), Subpart E, *Cost Principles*, include the following:

- The total cost of a federal award is the sum of the allowable direct and allocable indirect costs less than any applicable credits.
- A cost is allocable to a particular federal award if the goods or services involved are chargeable or assignable to that federal award or the cost objective in accordance with the relative benefits received.
- Indirect Facilities and Administrative Costs are those costs incurred for a common purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited. Indirect costs should be allocated equitably to all programs and cost centers of an organization.
- A Direct Allocation Method for allocating indirect costs is acceptable provided each joint cost is prorated using a basis that accurately measures the benefits provided to each federal award and other activity of an entity. The basis must be established in accordance with reasonable criteria and supported by current data.
- An organization should have appropriate internal controls in place to ensure the compliance requirements indicated above are met.

JEWISH FAMILY SERVICES OF DELAWARE INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
DECEMBER 31, 2023

III. Federal Award Findings and Questioned Costs - Continued

Finding Reference Number: 2023-001 - Continued

Condition: During the year ended December 31, 2023, JFS had a contract with the Department of Health and Human Services (DHHS) for the Mental Health Workforce Development Initiative. The contract is funded on the basis of cost reimbursement. JFS prepared schedules identifying allowable direct and indirect costs incurred during the month and submitted to DHHS based upon reimbursable costs identified in these schedules. The largest reimbursable cost category was salary and related expenses.

Our audit testing revealed that approximately \$44,000 of costs related to the pay period ending May 5, 2023, were accidentally submitted for reimbursement twice during 2023. After this was brought to the attention of the finance office, the Organization performed a self-review and identified total billing errors of approximately \$69,000 (which includes the aforementioned duplicate payroll billing) during the contract period. The Organization was able to identify additional eligible costs of approximately \$90,000 during the contract period that had not been included in previous reimbursement requests. The Organization plans to work with DHHS to provide updated documentation of eligible costs utilized.

Cause: The primary cause for the finding was human error in preparing the schedules of costs that were submitted for reimbursement.

Effect: Requests for reimbursement were made in excess of amounts allowed based on the provision of the Uniform Guidance and the underlying contract with DHHS.

Recommendation: We recommend JFS implement procedures to ensure the proper amounts of eligible costs are submitted for reimbursement.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CORRECTIVE ACTION PLAN
DECEMBER 31, 2023

Finding Reference Number: 2023-001

Major Program: 93.493 - Community Funded Projects (Grantor - Department of Health and Human Services)

Criteria: The requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance), Subpart E, *Cost Principles*, include the following:

- The total cost of a federal award is the sum of the allowable direct and allocable indirect costs less any applicable credits.
- A cost is allocable to a particular federal award if the goods or services involved are chargeable or assignable to that federal award or the cost objective in accordance with the relative benefits received.
- Indirect Facilities and Administrative Costs are those costs incurred for a common purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited. Indirect costs should be allocated equitably to all programs and cost centers of an organization.
- A Direct Allocation Method for allocating indirect costs is acceptable provided each joint cost is prorated using a basis that accurately measures the benefits provided to each federal award and other activity of an entity. The basis must be established in accordance with reasonable criteria and supported by current data.
- An organization should have appropriate internal controls in place to ensure the compliance requirements indicated above are met.

Condition: During the year ended December 31, 2023, JFS had a contract with the Department of Health and Human Services (DHHS) for the Mental Health Workforce Development Initiative. The contract is funded on the basis of cost reimbursement. JFS prepared schedules identifying allowable direct and indirect costs incurred during the month and submitted to DHHS based upon reimbursable costs identified in these schedules. The largest reimbursable cost category was salary and related expenses.

JEWISH FAMILY SERVICES OF DELAWARE INC.
CORRECTIVE ACTION PLAN - CONTINUED
DECEMBER 31, 2023

Finding Reference Number: 2023-001 - Continued

Condition - Continued:

Our audit testing revealed that approximately \$44,000 of costs related to the pay period ending May 5, 2023 were accidentally submitted for reimbursement twice during 2023. After this was brought to the attention of the finance office, the Organization performed a self-review and identified total billing errors of approximately \$69,000 (which includes the aforementioned duplicate payroll billing) during the contract period. The Organization was able to identify additional eligible costs of approximately \$90,000 during the contract period that had not been included in previous reimbursement requests. The Organization plans to work with DHHS to provide updated documentation of eligible costs utilized.

Corrective Action Plan: JFS has made two enhancements to its billing process to prevent errors related to cost reimbursable awards in the future:

1. JFS created a tracking mechanism within its accounting system for all federally funded programs, where accounting entries related to costs that should be billed (i.e., cash paid for reimbursable goods/services) are bifurcated from other accounting entries (i.e., accruals) which are not reimbursable. With this enhanced reporting capability, JFS can more accurately generate bills directly from its accounting system.
2. Secondly, JFS Finance was significantly understaffed in 2023, which increased the likelihood of human error. As a result, JFS has hired an Accounting Manager in 2024 and will strive for preparer and reviewer workflow on important accounting related tasks.

Contact Person Responsible for Corrective Action: Lisa Brooks, CFO

Anticipated Completion Date of Corrective Action: June 2024

JEWISH FAMILY SERVICES OF DELAWARE INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2023

I. Financial Statement Findings

No Prior Year Findings

II. Federal Award Findings and Questioned Costs

No Prior Year Findings or Questioned Costs

SUPPLEMENTARY INFORMATION

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2023

	Jewish Family Services of Delaware Inc.	Cancer Care Connection, Inc.	Consolidating Entries	Consolidating Totals
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 867,306	\$ 415,321	\$ -	\$ 1,282,627
Cash and Cash Equivalents - Restricted for Capital Projects	39,161	-	-	39,161
Patient Accounts Receivable - Net of Allowance for Credit Losses of \$194,249	198,885	14,016	-	212,901
Grants Receivable	578,957	21,604	-	600,561
Intercompany Receivable	43,213	-	(43,213)	-
Prepaid Expenses	62,193	-	-	62,193
TOTAL CURRENT ASSETS	1,789,715	450,941	(43,213)	2,197,443
PROPERTY AND EQUIPMENT				
Furniture, Fixtures, and Equipment	505,147	134,992	-	640,139
Less: Accumulated Depreciation	(432,124)	(134,992)	-	(567,116)
NET PROPERTY AND EQUIPMENT	73,023	-	-	73,023
OTHER ASSETS				
Security Deposits	2,250	-	-	2,250
Right-of-Use Assets - Operating Leases	400,664	-	-	400,664
Investments	221,955	-	-	221,955
Beneficial Interest in Funds Held at Delaware Community Foundation	278,179	-	-	278,179
TOTAL OTHER ASSETS	903,048	-	-	903,048
TOTAL ASSETS	\$ 2,765,786	\$ 450,941	\$ (43,213)	\$ 3,173,514
CURRENT LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 246,026	\$ 543	\$ -	\$ 246,569
Accrued Pension Expense	48,997	-	-	48,997
Line of Credit	210,000	-	-	210,000
Current Maturities of Operating Lease Liability	93,732	-	-	93,732
Intercompany Payable	-	43,213	(43,213)	-
TOTAL CURRENT LIABILITIES	598,755	43,756	(43,213)	599,298
OTHER LIABILITIES				
Operating Lease Liability - Net of Current Maturities	306,932	-	-	306,932
TOTAL LIABILITIES	905,687	43,756	(43,213)	906,230
NET ASSETS				
Without Donor Restrictions				
Undesignated	416,584	404,776	-	821,360
Board-Designated Operating Reserve	110,146	-	-	110,146
Board-Designated Endowment Funds	217,852	-	-	217,852
Total Without Donor Restrictions	744,582	404,776	-	1,149,358
With Donor Restrictions				
Purpose Restricted	833,235	2,409	-	835,644
Donor-Restricted Endowment Funds	282,282	-	-	282,282
Total With Donor Restrictions	1,115,517	2,409	-	1,117,926
TOTAL NET ASSETS	1,860,099	407,185	-	2,267,284
TOTAL LIABILITIES AND NET ASSETS	\$ 2,765,786	\$ 450,941	\$ (43,213)	\$ 3,173,514

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2022

	Jewish Family Services of Delaware Inc.	Cancer Care Connection, Inc.	Consolidating Entries	Consolidating Totals
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 1,189,514	\$ 373,249	\$ -	\$ 1,562,763
Cash and Cash Equivalents - Restricted for Capital Projects	215,630	-	-	215,630
Patient Accounts Receivable - Net	118,845	11,242	-	130,087
Grants Receivable	467,829	32,467	-	500,296
Intercompany Receivable	33,861	3,505	(37,366)	-
Prepaid Expenses	10,434	3,312	-	13,746
TOTAL CURRENT ASSETS	2,036,113	423,775	(37,366)	2,422,522
PROPERTY AND EQUIPMENT				
Furniture, Fixtures, and Equipment	511,797	134,992	-	646,789
Less: Accumulated Depreciation	(448,255)	(134,992)	-	(583,247)
NET PROPERTY AND EQUIPMENT	63,542	-	-	63,542
OTHER ASSETS				
Security Deposits	2,250	-	-	2,250
Right-of-Use Assets - Operating Leases	23,512	-	-	23,512
Investments	196,453	-	-	196,453
Beneficial Interest in Funds Held at Delaware Community Foundation	246,351	-	-	246,351
TOTAL OTHER ASSETS	468,566	-	-	468,566
TOTAL ASSETS	\$ 2,568,221	\$ 423,775	\$ (37,366)	\$ 2,954,630
CURRENT LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 255,470	\$ 2,530	\$ -	\$ 258,000
Accrued Pension Expense	32,106	-	-	32,106
Accrued Interest Payable	1,028	-	-	1,028
Line of Credit	250,000	-	-	250,000
Current Maturities of Operating Lease Liability	7,491	-	-	7,491
Intercompany Payable	3,505	33,861	(37,366)	-
TOTAL CURRENT LIABILITIES	549,600	36,391	(37,366)	548,625
OTHER LIABILITIES				
Operating Lease Liability - Net of Current Maturities	16,021	-	-	16,021
TOTAL LIABILITIES	565,621	36,391	(37,366)	564,646
NET ASSETS				
Without Donor Restrictions				
Undesignated	254,359	348,806	-	639,165
Board-Designated Operating Reserve	260,019	-	-	260,019
Board-Designated Endowment Funds	192,577	-	-	192,577
Total Without Donor Restrictions	706,955	348,806	-	1,091,761
With Donor Restrictions				
Purpose Restricted	1,045,418	2,578	-	1,047,996
Donor-Restricted Endowment Funds	250,227	-	-	250,227
Total With Donor Restrictions	1,295,645	2,578	-	1,298,223
TOTAL NET ASSETS	2,002,600	387,384	-	2,389,984
TOTAL LIABILITIES AND NET ASSETS	\$ 2,568,221	\$ 423,775	\$ (37,366)	\$ 2,954,630

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Jewish Family Services of Delaware, Inc.		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE FROM OPERATIONS			
Public Support			
Contributions	\$ 276,995	\$ 39,418	\$ 316,413
United Way of Delaware	44,317	-	44,317
Jewish Federation of Delaware Allocations	90,000	-	90,000
Grants from Government Agencies	2,894,556	340,000	3,234,556
Other Grants	128,875	347,615	476,490
Total Public Support	<u>3,434,743</u>	<u>727,033</u>	<u>4,161,776</u>
Program Fees			
Counseling Fees and Contract Revenue	1,348,052	-	1,348,052
Care Management	228,682	-	228,682
Total Program Fees	<u>1,576,734</u>	<u>-</u>	<u>1,576,734</u>
TOTAL SUPPORT AND REVENUE FROM OPERATIONS	<u>5,011,477</u>	<u>727,033</u>	<u>5,738,510</u>
OPERATING EXPENSES			
Program Services			
Counseling	3,629,637	-	3,629,637
Care Management	381,215	-	381,215
Youth and Family	1,087,160	-	1,087,160
Total Program Services	<u>5,098,012</u>	<u>-</u>	<u>5,098,012</u>
Supporting Services			
Management and General	581,391	-	581,391
Fundraising	273,891	-	273,891
Total Supporting Services	<u>855,282</u>	<u>-</u>	<u>855,282</u>
TOTAL OPERATING EXPENSES	<u>5,953,294</u>	<u>-</u>	<u>5,953,294</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>(941,817)</u>	<u>727,033</u>	<u>(214,784)</u>
NONOPERATING REVENUE			
Interest and Dividends - Net of Fees	3,571	2,841	6,412
Gains (Losses) on Investments	21,830	29,551	51,381
Loss on Disposal of Assets	(11,339)	-	(11,339)
Government Grant - Employee Retention Credit	25,829	-	25,829
TOTAL NONOPERATING REVENUE	<u>39,891</u>	<u>32,392</u>	<u>72,283</u>
Net Assets Released from Restrictions	939,553	(939,553)	-
CHANGE IN NET ASSETS	37,627	(180,128)	(142,501)
NET ASSETS - Beginning of Year	<u>706,955</u>	<u>1,295,645</u>	<u>2,002,600</u>
NET ASSETS - End of Year	<u>\$ 744,582</u>	<u>\$ 1,115,517</u>	<u>\$ 1,860,099</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES - CONTINUED
YEAR ENDED DECEMBER 31, 2023

	<u>Cancer Care Connection, Inc.</u>			<u>Consolidating</u> <u>Entries</u>	<u>Consolidating</u> <u>Total</u>
	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>		
SUPPORT AND REVENUE FROM OPERATIONS					
Public Support					
Contributions	\$ 34,901	\$ -	\$ 34,901	\$ -	\$ 351,314
United Way of Delaware	-	-	-	-	44,317
Jewish Federation of Delaware Allocations	-	-	-	-	90,000
Grants from Government Agencies	183,069	-	183,069	-	3,417,625
Other Grants	60,608	-	60,608	-	537,098
Total Public Support	<u>278,578</u>	<u>-</u>	<u>278,578</u>	<u>-</u>	<u>4,440,354</u>
Program Fees					
Counseling Fees and Contract Revenue	91,815	-	91,815	(16,000)	1,423,867
Care Management	-	-	-	-	228,682
Total Program Fees	<u>91,815</u>	<u>-</u>	<u>91,815</u>	<u>(16,000)</u>	<u>1,652,549</u>
TOTAL SUPPORT AND REVENUE FROM OPERATIONS	<u>370,393</u>	<u>-</u>	<u>370,393</u>	<u>(16,000)</u>	<u>6,092,903</u>
OPERATING EXPENSES					
Program Services					
Counseling	298,172	-	298,172	(1,600)	3,926,209
Care Management	-	-	-	-	381,215
Youth and Family	-	-	-	-	1,087,160
Total Program Services	<u>298,172</u>	<u>-</u>	<u>298,172</u>	<u>(1,600)</u>	<u>5,394,584</u>
Supporting Services					
Management and General	26,056	-	26,056	(12,800)	594,647
Fundraising	26,224	-	26,224	(1,600)	298,515
Total Supporting Services	<u>52,280</u>	<u>-</u>	<u>52,280</u>	<u>(14,400)</u>	<u>893,162</u>
TOTAL OPERATING EXPENSES	<u>350,452</u>	<u>-</u>	<u>350,452</u>	<u>(16,000)</u>	<u>6,287,746</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>19,941</u>	<u>-</u>	<u>19,941</u>	<u>-</u>	<u>(194,843)</u>
NONOPERATING REVENUE					
Interest and Dividends - Net of Fees	13	-	13	-	6,425
Gains (Losses) on Investments	(153)	-	(153)	-	51,228
Loss on Disposal of Assets	-	-	-	-	(11,339)
Government Grant - Employee Retention Credit	-	-	-	-	25,829
TOTAL NONOPERATING REVENUE	<u>(140)</u>	<u>-</u>	<u>(140)</u>	<u>-</u>	<u>72,143</u>
Net Assets Released from Restrictions	169	(169)	-	-	-
CHANGE IN NET ASSETS	19,970	(169)	19,801	-	(122,700)
NET ASSETS - Beginning of Year	384,806	2,578	387,384	-	2,389,984
NET ASSETS - End of Year	<u>\$ 404,776</u>	<u>\$ 2,409</u>	<u>\$ 407,185</u>	<u>\$ -</u>	<u>\$ 2,267,284</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

	Jewish Family Services of Delaware, Inc.		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE FROM OPERATIONS			
Public Support			
Contributions	\$ 128,310	\$ 65,209	\$ 193,519
United Way of Delaware	44,937	-	44,937
Jewish Federation of Delaware Allocations	100,000	-	100,000
Grants from Government Agencies	1,654,065	1,000,000	2,654,065
Other Grants	225,276	164,000	389,276
Total Public Support	<u>2,152,588</u>	<u>1,229,209</u>	<u>3,381,797</u>
Program Fees			
Counseling Fees and Contract Revenue	1,252,550	-	1,252,550
Care Management	207,386	-	207,386
Total Program Fees	<u>1,459,936</u>	<u>-</u>	<u>1,459,936</u>
TOTAL SUPPORT AND REVENUE FROM OPERATIONS	<u>3,612,524</u>	<u>1,229,209</u>	<u>4,841,733</u>
OPERATING EXPENSES			
Program Services			
Counseling	2,556,569	-	2,556,569
Care Management	418,362	-	418,362
Youth and Family	1,036,785	-	1,036,785
Total Program Services	<u>4,011,716</u>	<u>-</u>	<u>4,011,716</u>
Supporting Services			
Management and General	737,659	-	737,659
Fundraising	130,740	-	130,740
Total Supporting Services	<u>868,399</u>	<u>-</u>	<u>868,399</u>
TOTAL OPERATING EXPENSES	<u>4,880,115</u>	<u>-</u>	<u>4,880,115</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>(1,267,591)</u>	<u>1,229,209</u>	<u>(38,382)</u>
NONOPERATING REVENUE			
Interest and Dividends - Net of Fees	2,657	2,440	5,097
Losses on Investments	(86,272)	(45,481)	(131,753)
Government Grant - Employee Retention Credit	207,794	-	207,794
TOTAL NONOPERATING REVENUE	<u>124,179</u>	<u>(43,041)</u>	<u>81,138</u>
Net Assets Released from Restrictions	<u>698,466</u>	<u>(698,466)</u>	<u>-</u>
CHANGE IN NET ASSETS	<u>(444,946)</u>	<u>487,702</u>	<u>42,756</u>
NET ASSETS - Beginning of Year	<u>1,151,901</u>	<u>807,943</u>	<u>1,959,844</u>
NET ASSETS - End of Year	<u>\$ 706,955</u>	<u>\$ 1,295,645</u>	<u>\$ 2,002,600</u>

JEWISH FAMILY SERVICES OF DELAWARE INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES - CONTINUED
YEAR ENDED DECEMBER 31, 2022

	Cancer Care Connection, Inc.			Consolidating Entries	Consolidating Total
	Without Donor Restrictions	With Donor Restrictions	Total		
SUPPORT AND REVENUE FROM OPERATIONS					
Public Support					
Contributions	\$ 33,989	\$ -	\$ 33,989	\$ -	\$ 227,508
United Way of Delaware	-	-	-	-	44,937
Jewish Federation of Delaware Allocations	-	-	-	-	100,000
Grants from Government Agencies	187,200	-	187,200	-	2,841,265
Other Grants	73,126	-	73,126	-	462,402
Total Public Support	294,315	-	294,315	-	3,676,112
Program Fees					
Counseling Fees and Contract Revenue	84,402	-	84,402	(15,000)	1,321,952
Care Management	-	-	-	-	207,386
Total Program Fees	84,402	-	84,402	(15,000)	1,529,338
TOTAL SUPPORT AND REVENUE FROM OPERATIONS	378,717	-	378,717	(15,000)	5,205,450
OPERATING EXPENSES					
Program Services					
Counseling	266,562	-	266,562	-	2,823,131
Care Management	-	-	-	-	418,362
Youth and Family	-	-	-	-	1,036,785
Total Program Services	266,562	-	266,562	-	4,278,278
Supporting Services					
Management and General	36,609	-	36,609	(15,000)	759,268
Fundraising	20,894	-	20,894	-	151,634
Total Supporting Services	57,503	-	57,503	(15,000)	910,902
TOTAL OPERATING EXPENSES	324,065	-	324,065	(15,000)	5,189,180
CHANGE IN NET ASSETS FROM OPERATIONS	54,652	-	54,652	-	16,270
NONOPERATING REVENUE					
Interest and Dividends - Net of Fees	12	-	12	-	5,109
Losses on Investments	-	-	-	-	(131,753)
Government Grant - Employee Retention Credit	-	-	-	-	207,794
TOTAL NONOPERATING REVENUE	12	-	12	-	81,150
Net Assets Released from Restrictions	1,969	(1,969)	-	-	-
CHANGE IN NET ASSETS	56,633	(1,969)	54,664	-	97,420
NET ASSETS - Beginning of Year	328,173	4,547	332,720	-	2,292,564
NET ASSETS - End of Year	\$ 384,806	\$ 2,578	\$ 387,384	\$ -	\$ 2,389,984

JEWISH FAMILY SERVICES OF DELAWARE INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services				Supporting Services			
	Care		Youth	Total	Management		Total	Total
	Counseling	Management	and Family	Program Services	and General	Fundraising	Supporting Services	
SALARIES AND RELATED EXPENSES								
Salaries	\$ 2,332,356	\$ 181,646	\$ 607,405	\$ 3,121,407	\$ 205,251	\$ 200,970	\$ 406,221	\$ 3,527,628
Employee Retirement Benefits	31,683	546	3,726	35,955	552	4,780	5,332	41,287
Employee Benefits	242,451	13,043	44,731	300,225	48,954	20,611	69,565	369,790
Payroll Taxes	175,119	13,676	45,378	234,173	18,262	15,076	33,338	267,511
TOTAL SALARIES AND RELATED EXPENSES	2,781,609	208,911	701,240	3,691,760	273,019	241,437	514,456	4,206,216
OTHER EXPENSES								
Advertising and Marketing	9,289	808	7,266	17,363	1,630	262	1,892	19,255
Bad Debt Expense	-	-	-	-	76,330	-	76,330	76,330
Bank, Payroll, and 401(k) Fees	12,650	1,390	3,774	17,814	27,949	795	28,744	46,558
Conferences and Staff Training	105,068	270	1,616	106,954	22,023	-	22,023	128,977
Contract Services	279,403	105,712	20,938	406,053	70,938	20,155	91,093	497,146
Dues and Subscriptions	200	100	15	315	11,579	-	11,579	11,894
Equipment Rental and Maintenance	12,450	916	7,090	20,456	13,725	523	14,248	34,704
Insurance	23,501	6,126	7,568	37,195	4,382	1,593	5,975	43,170
Interest	11,049	1,311	3,558	15,918	2,060	749	2,809	18,727
Janitorial and Maintenance	89	11	29	129	17	6	23	152
Mileage and Expense Allowances	80,904	1,684	8,845	91,433	1,291	-	1,291	92,724
Miscellaneous Expense	2,786	361	3,267	6,414	852	109	961	7,375
Office Supplies	1,176	375	1,225	2,776	7,020	13	7,033	9,809
Outside Printing and Publications	306	-	-	306	2,886	-	2,886	3,192
Postage	49	-	19	68	1,526	-	1,526	1,594
Program Supplies	22,379	3,348	5,578	31,305	15,869	-	15,869	47,174
Rent and Occupancy	63,909	7,582	22,605	94,096	38,363	4,333	42,696	136,792
Software Licenses	155,885	2,425	8,947	167,257	4,588	1,606	6,194	173,451
Special Assistance and Other Program Expenses	28,258	34,981	270,203	333,442	-	-	-	333,442
Telephone and Internet	32,307	4,148	11,326	47,781	4,156	1,878	6,034	53,815
TOTAL OTHER EXPENSES	841,658	171,548	383,869	1,397,075	307,184	32,022	339,206	1,736,281
Depreciation of Property and Equipment	6,370	756	2,051	9,177	1,188	432	1,620	10,797
TOTAL EXPENSES	\$ 3,629,637	\$ 381,215	\$ 1,087,160	\$ 5,098,012	\$ 581,391	\$ 273,891	\$ 855,282	\$ 5,953,294

JEWISH FAMILY SERVICES OF DELAWARE INC.

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

	Program Services			Supporting Services				
	Counseling	Care Management	Youth and Family	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
SALARIES AND RELATED EXPENSES								
Salaries	\$ 1,727,616	\$ 231,068	\$ 493,582	\$ 2,452,266	\$ 325,209	\$ 83,663	\$ 408,872	\$ 2,861,138
Employee Retirement Benefits	22,289	2,981	6,368	31,638	4,196	1,079	5,275	36,913
Employee Benefits	121,087	20,852	27,441	169,380	26,365	7,077	33,442	202,822
Payroll Taxes	124,811	16,533	36,150	177,494	22,828	6,223	29,051	206,545
Unemployment Insurance	1,932	259	552	2,743	364	93	457	3,200
TOTAL SALARIES AND RELATED EXPENSES	1,997,735	271,693	564,093	2,833,521	378,962	98,135	477,097	3,310,618
OTHER EXPENSES								
Advertising and Marketing	3,584	-	4,231	7,815	7,707	1,566	9,273	17,088
Bad Debt Expense	-	-	-	-	107,245	-	107,245	107,245
Bank, Payroll, and 401(k) Fees	12,195	1,599	3,415	17,209	19,551	578	20,129	37,338
Conferences and Staff Training	25,472	1,011	11,171	37,654	4,575	365	4,940	42,594
Contract Services	180,892	90,613	15,617	287,122	169,763	20,311	190,074	477,196
Dues and Subscriptions	6,690	1,057	1,882	9,629	965	319	1,284	10,913
Equipment Rental and Maintenance	30,963	4,204	9,940	45,107	4,188	1,475	5,663	50,770
Insurance	24,516	6,686	7,003	38,205	4,612	1,185	5,797	44,002
Interest	-	-	-	-	1,028	-	1,028	1,028
Janitorial and Maintenance	2,355	315	673	3,343	443	114	557	3,900
Mileage and Expense Allowances	7,411	4,797	12,037	24,245	1,395	-	1,395	25,640
Miscellaneous Expense	1,904	328	4,011	6,243	2,950	102	3,052	9,295
Office Supplies	1,432	743	1,514	3,689	7,840	16	7,856	11,545
Outside Printing and Publications	-	136	-	136	3,157	-	3,157	3,293
Postage	1,312	176	375	1,863	247	63	310	2,173
Program Supplies	3,231	5,402	11,213	19,846	-	-	-	19,846
Rent and Occupancy	79,533	10,614	22,659	112,806	15,395	3,834	19,229	132,035
Software Licenses	140,037	2,811	7,489	150,337	2,102	1,140	3,242	153,579
Special Assistance and Other Program Expenses	300	10,796	346,601	357,697	-	-	-	357,697
Telephone and Internet	25,496	3,793	9,090	38,379	3,352	743	4,095	42,474
TOTAL OTHER EXPENSES	547,323	145,081	468,921	1,161,325	356,515	31,811	388,326	1,549,651
Depreciation of Property and Equipment	11,511	1,588	3,771	16,870	2,182	794	2,976	19,846
TOTAL EXPENSES	\$ 2,556,569	\$ 418,362	\$ 1,036,785	\$ 4,011,716	\$ 737,659	\$ 130,740	\$ 868,399	\$ 4,880,115

CANCER CARE CONNECTION, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services			Supporting Services				
	Counseling	Care Management	Youth and Family	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
SALARIES AND RELATED EXPENSES								
Salaries	\$ 226,509	\$ -	\$ -	\$ 226,509	\$ 10,829	\$ 21,658	\$ 32,487	\$ 258,996
Employee Benefits	18,290	-	-	18,290	305	610	915	19,205
Payroll Taxes	17,053	-	-	17,053	824	1,649	2,473	19,526
TOTAL SALARIES AND RELATED EXPENSES	261,852	-	-	261,852	11,958	23,917	35,875	297,727
OTHER EXPENSES								
Advertising and Marketing	1,681	-	-	1,681	-	-	-	1,681
Bank, Payroll, and 401(k) Fees	258	-	-	258	68	162	230	488
Conferences and Staff Training	1,673	-	-	1,673	-	-	-	1,673
Contract Services	10,514	-	-	10,514	-	-	-	10,514
Dues and Subscriptions	2,925	-	-	2,925	240	-	240	3,165
Insurance	156	-	-	156	-	-	-	156
Mileage and Expense Allowances	2,475	-	-	2,475	115	-	115	2,590
Miscellaneous Expense	670	-	-	670	-	-	-	670
Office Supplies	1,951	-	-	1,951	79	-	79	2,030
Postage	169	-	-	169	-	-	-	169
Rent and Occupancy	1,585	-	-	1,585	520	270	790	2,375
Telephone and Internet	10,663	-	-	10,663	276	275	551	11,214
Administrative Service Fee Expense	1,600	-	-	1,600	12,800	1,600	14,400	16,000
TOTAL OTHER EXPENSES	36,320	-	-	36,320	14,098	2,307	16,405	52,725
TOTAL EXPENSES	\$ 298,172	\$ -	\$ -	\$ 298,172	\$ 26,056	\$ 26,224	\$ 52,280	\$ 350,452

CANCER CARE CONNECTION, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services			Supporting Services				
	Counseling	Care Management	Youth and Family	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
SALARIES AND RELATED EXPENSES								
Salaries	\$ 218,676	\$ -	\$ -	\$ 218,676	\$ 18,853	\$ 18,853	\$ 37,706	\$ 256,382
Employee Benefits	7,969	-	-	7,969	-	-	-	7,969
Payroll Taxes	16,390	-	-	16,390	1,413	1,413	2,826	19,216
TOTAL SALARIES AND RELATED EXPENSES	243,035	-	-	243,035	20,266	20,266	40,532	283,567
OTHER EXPENSES								
Advertising and Marketing	930	-	-	930	-	-	-	930
Bank, Payroll, and 401(k) Fees	-	-	-	-	52	171	223	223
Conferences and Staff Training	1,441	-	-	1,441	50	-	50	1,491
Contract Services	6,162	-	-	6,162	-	-	-	6,162
Dues and Subscriptions	2,263	-	-	2,263	605	-	605	2,868
Insurance	151	-	-	151	-	-	-	151
Mileage and Expense Allowances	1,196	-	-	1,196	170	-	170	1,366
Miscellaneous Expense	265	-	-	265	-	-	-	265
Office Supplies	2,297	-	-	2,297	-	-	-	2,297
Outside Printing and Publications	235	-	-	235	-	-	-	235
Postage	145	-	-	145	8	-	8	153
Rent and Occupancy	1,905	-	-	1,905	182	182	364	2,269
Telephone and Internet	6,537	-	-	6,537	276	275	551	7,088
Administrative Service Fee Expense	-	-	-	-	15,000	-	15,000	15,000
TOTAL OTHER EXPENSES	23,527	-	-	23,527	16,343	628	16,971	40,498
TOTAL EXPENSES	\$ 266,562	\$ -	\$ -	\$ 266,562	\$ 36,609	\$ 20,894	\$ 57,503	\$ 324,065