



The Louis August Jonas Foundation

## **FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
SEPTEMBER 30, 2022 AND 2021**

LOUIS AUGUST JONAS FOUNDATION, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report .....	3-4
Financial Statements:	
Statements of Financial Position .....	5
Statements of Activities and Changes in Net Assets .....	6
Statements of Functional Expenses .....	7
Statements of Cash Flows .....	8
Notes to Financial Statements .....	9-17



## Independent Auditor's Report

To the Board of Directors of  
Louis August Jonas Foundation, Inc.

### **Opinion**

We have audited the accompanying financial statements of the Louis August Jonas Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louis August Jonas Foundation, Inc. as of September 30, 2022 and 2021, and the changes in its net assets and its 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Louis August Jonas Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Louis August Jonas Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Louis August Jonas Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

*Alta CPA Group, LLC*

December 6, 2022

LOUIS AUGUST JONAS FOUNDATION, INC.  
STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2022 AND 2021

	2022	2021
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 140,086	\$ 130,860
Pledges Receivable, Current	-	25,942
Prepaid Expenses	19,604	16,644
Investments	10,318,739	13,832,133
Total Current Assets	10,478,429	14,005,579
Fixed Assets:		
Land, Buildings and Equipment	3,361,642	2,771,518
Accumulated Depreciation	(1,980,719)	(1,933,593)
Net Fixed Assets	1,380,923	837,925
Other Assets:		
Security Deposits	-	16,604
Total Other Assets	-	16,604
Total Assets	\$ 11,859,352	\$ 14,860,108
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 79,550	\$ 73,368
Total Current Liabilities	79,550	73,368
Net Assets:		
Without Donor Restrictions	10,474,811	13,381,816
Without Donor Restrictions - Board Designated	242,401	157,000
Total Net Assets Without Donor Restrictions	10,717,212	13,538,816
With Donor Restrictions	1,062,590	1,247,924
Total Net Assets	11,779,802	14,786,740
Total Liabilities and Net Assets	\$ 11,859,352	\$ 14,860,108

See auditor's report and accompanying notes to financial statements.

LOUIS AUGUST JONAS FOUNDATION, INC.  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>						
Contributions and Grants	\$ 524,616	\$ 27,000	\$ 551,616	\$ 658,915	\$ 9,569	\$ 668,484
Investment Income	(2,090,166)	(161,282)	(2,251,448)	1,878,362	123,726	2,002,088
Other Income	139,908	-	139,908	74,804	-	74,804
Net Assets Released from Restrictions	51,052	(51,052)	-	101,277	(101,277)	-
Total Support and Revenue	(1,374,590)	(185,334)	(1,559,924)	2,713,358	32,018	2,745,376
<b>EXPENSES</b>						
Program Services:						
Camp Rising Sun	809,928	-	809,928	524,777	-	524,777
Alumni Affairs	202,482	-	202,482	188,023	-	188,023
Total Program Expenses	1,012,410	-	1,012,410	712,800	-	712,800
Support Services:						
Management and Administrative	218,091	-	218,091	191,680	-	191,680
Fundraising	216,513	-	216,513	201,364	-	201,364
Total Support Services	434,604	-	434,604	393,044	-	393,044
Total Expenses	1,447,014	-	1,447,014	1,105,844	-	1,105,844
INCREASE IN NET ASSETS	(2,821,604)	(185,334)	(3,006,938)	1,607,514	32,018	1,639,532
NET ASSETS - BEGINNING OF YEAR	13,538,816	1,247,924	14,786,740	11,931,302	1,215,906	13,147,208
NET ASSETS - END OF YEAR	\$ 10,717,212	\$ 1,062,590	\$ 11,779,802	\$ 13,538,816	\$ 1,247,924	\$ 14,786,740

See auditor's report and accompanying notes to financial statements.

LOUIS AUGUST JONAS FOUNDATION, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022					2021				
	Program Services	Management and Administrative	Fund Raising	Support Total	Total	Program Services	Management and Administrative	Fund Raising	Support Total	Total
Salaries	\$ 493,015	\$ 151,697	\$ 113,773	\$ 265,470	\$ 758,485	\$ 314,810	\$ 135,651	\$ 128,290	\$ 263,941	\$ 578,751
Payroll Taxes	50,911	15,665	11,749	27,414	78,325	33,130	9,972	10,239	20,211	53,341
Benefits	48,903	15,047	11,285	26,332	75,235	57,026	16,603	9,788	26,391	83,417
Total Salaries and Related Expenses	592,829	182,409	136,807	319,216	912,045	404,966	162,226	148,317	310,543	715,509
Alumni Affairs Expense	6,628	-	-	-	6,628	17,749	6	964	970	18,719
Automobile Expense	22,521	-	-	-	22,521	2,003	-	-	-	2,003
Camper Related Expenses	80,413	-	-	-	80,413	2,541	-	-	-	2,541
Computer Expense	11,865	3,142	4,765	7,907	19,772	7,739	2,049	3,108	5,157	12,896
Fundraising Events	-	-	33,147	33,147	33,147	2,513	-	18,130	18,130	20,643
GEJ Scholarships	14,500	-	-	-	14,500	15,000	-	-	-	15,000
Insurance Expense	31,866	4,484	195	4,679	36,545	37,484	5,274	229	5,503	42,987
Office Expense	6,997	5,046	2,693	7,739	14,736	1,646	1,332	711	2,043	3,689
Professional Fees	21,075	5,788	12,676	18,464	39,539	16,636	4,569	10,006	14,575	31,211
Rent Expense	-	-	-	-	-	8,530	4,460	4,265	8,725	17,255
Repairs and Maintenance	92,814	-	-	-	92,814	110,407	-	-	-	110,407
Subscriptions and Memberships	5,487	1,112	5,848	6,960	12,447	1,002	203	1,068	1,271	2,273
Travel Expense	25,294	6,181	7,714	13,895	39,189	5,394	1,318	1,645	2,963	8,357
Processing Fees	18,494	9,929	12,668	22,597	41,091	17,834	9,575	12,216	21,791	39,625
Utilities	34,501	-	-	-	34,501	20,542	668	705	1,373	21,915
Total Expenses Before Depreciation Expense	965,284	218,091	216,513	434,604	1,399,888	671,986	191,680	201,364	393,044	1,065,030
Depreciation Expense	47,126	-	-	-	47,126	40,814	-	-	-	40,814
Total Expenses	\$ <u>1,012,410</u>	\$ <u>218,091</u>	\$ <u>216,513</u>	\$ <u>434,604</u>	\$ <u>1,447,014</u>	\$ <u>712,800</u>	\$ <u>191,680</u>	\$ <u>201,364</u>	\$ <u>393,044</u>	\$ <u>1,105,844</u>

See auditor's report and accompanying notes to financial statements.

LOUIS AUGUST JONAS FOUNDATION, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ (3,006,938)	\$ 1,639,532
Adjustments to Reconcile Increase in Net Assets to		
Net Cash Used by Operating Activities:		
Depreciation Expense	47,126	40,814
(Gain) Loss on Investments	2,539,176	(1,783,355)
(Increase) Decrease in:		
Pledge Receivable	25,942	39,284
Prepaid Expenses	(2,960)	(331)
Security Deposits	16,604	10,497
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	<u>6,182</u>	<u>32,648</u>
Net Cash Received from (Used by) Operating Activities	(374,868)	(20,911)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(264,538)	(283,712)
Purchases of Fixed Assets	(590,124)	(94,317)
Proceeds From Investments	<u>1,238,756</u>	<u>303,050</u>
Net Cash Used By Investing Activities	384,094	(74,979)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	9,226	(95,890)
Cash at Beginning of Year	<u>130,860</u>	<u>226,750</u>
Cash at End of Year	<u>\$ 140,086</u>	<u>\$ 130,860</u>
<b>Supplemental Information:</b>		
Interest Paid	<u>\$ -</u>	<u>\$ -</u>
Taxes Paid	<u>\$ -</u>	<u>\$ -</u>

See auditor's report and accompanying notes to financial statements.



LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Louis August Jonas Foundation, Inc. ("Foundation") is a New York based nonprofit educational organization that was chartered in 1930 and has a 90-year history of successfully inspiring and developing young leaders to build a better world. To deliver its mission, the Foundation operates Camp Rising Sun ("CRS") a summer leadership program for promising young students from around the world and many virtual programs.

There is no tuition associated with participation in the camp program. Teens ages 14 - 16 are selected independently of financial means. Since its inception, the Foundation has awarded full scholarships to over 5,000 students representing 30 countries and 10 states.

The mission of the Foundation is supported through annual withdrawals from the portfolio and solicitation of contributions from alumni, parents of alumni, and other outside sources.

As of September 30, 2022, the Organization believes it understands the risk associated with COVID-19. The Organization has implemented risk mitigation tactics to address the risk of the impact, if any, of COVID-19 related to all aspects of business transactions with customers and vendors and human interaction within, and outside of, LAJF.

Due to Covid-19, the Foundation operated only virtually during the summers of 2020 and 2021. In 2022, the Foundation resumed its in-person camp for one four-week session, while also offering a virtual camp experience. In 2023, we expect to resume offering two four-week in-person camp sessions, and will also continue to offer a virtual camp experience.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Foundation has been granted tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code. It is classified by the Internal Revenue Service as other than a private foundation. There was no net unrelated business taxable income; consequently, no provision for income tax is reflected in the financial statements. The Foundation informational return filings are subject to audit by the Internal Revenue Service, generally for three years after filing.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Investment income or loss (which includes realized and unrealized gains and losses on investments, interest and dividends) is included in the changes in net assets without donor restrictions unless the donor or law restricts the income or loss.

Investment Risks

The Foundation's investment portfolios are professionally managed and contain preferred and common shares and bonds of publicly traded companies, corporate bonds, U.S. government obligations, mutual funds, and money market funds. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that market conditions would materially affect investment balances and the amounts reported in the financial statements.

Land, Buildings, and Equipment

Fixed assets are recorded at cost if purchased or fair market value at the date of donation, if donated. The Foundation capitalizes all fixed asset additions over \$1,000. Depreciation is provided on the straight line method over the estimated useful lives of the assets as follows:

Vehicle	5 Years
Equipment	5-20 Years
Building and Improvements	5-50 Years

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

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.

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 are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

Contributions

All contributions are considered to be available for general use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support that increases net assets with donor restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as donor restricted support; in the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year if the present value adjustment is material. The discounts on those amounts are computed using appropriate interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (Continued)

Conditional promises to give are not included as support until the conditions are substantially met. When collected prior to satisfaction of donor restrictions, amounts are reported as refundable advances.

Grants and other contributions of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Grants are recorded as revenue when received or when conditions of the grant agreement are met.

Allocation of Expenses

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

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Foundation are reported as expenses of those functional areas. Certain costs, such as some salary, payroll taxes, and employee benefits, are allocated based on estimates of staff time spent on each functional area.

Statement of Cash Flows

For purposes of the statements of cash flows, cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

Subsequent Events

The Foundation evaluated subsequent events through the date that the financial statements were available to be issued. The Foundation is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to December 6, 2022 that would have a material impact on the financial statements.

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 2 - FAIR VALUE MEASUREMENTS

The following tables presents the Foundation's fair value hierarchy for the assets and liabilities measured at fair value on a recurring basis as of September 30, 2022 and 2021:

<u>2022</u>	Quoted Market Prices in Active Markets <u>(Level 1)</u>	Other Observable Inputs <u>(Level 2)</u>	Unobservable Inputs <u>(Level 3)</u>	<u>Total</u>
Cash and Cash				
Equivalents	\$ 34,255	\$ ---	\$ ---	\$ 34,255
Equities	413,365	---	---	413,365
Mutual Funds:				
Fixed Income	2,742,656	---	---	2,742,656
Domestic Stock	4,888,262	---	---	4,888,262
International Stock	2,214,594	---	---	2,214,594
Exchange Traded Funds	<u>25,607</u>	<u>---</u>	<u>---</u>	<u>25,607</u>
Total Investments	\$ <u>10,318,739</u>	\$ <u>---</u>	\$ <u>---</u>	\$ <u>10,318,739</u>

<u>2021</u>	Quoted Market Prices in Active Markets <u>(Level 1)</u>	Other Observable Inputs <u>(Level 2)</u>	Unobservable Inputs <u>(Level 3)</u>	<u>Total</u>
Cash and Cash				
Equivalents	\$ 45,128	\$ ---	\$ ---	\$ 45,128
Equities	440,953	---	---	440,953
Mutual Funds:				
Fixed Income	5,263,395	---	---	5,263,395
Domestic Stock	4,974,653	---	---	4,974,653
International Stock	<u>3,108,004</u>	<u>---</u>	<u>---</u>	<u>3,108,004</u>
Total Investments	\$ <u>13,832,133</u>	\$ <u>---</u>	\$ <u>---</u>	\$ <u>13,832,133</u>

All assets are valued based on the market approach. Financial assets and liabilities valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using level 3 inputs were primarily valued using the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied. There have been no changes in valuation techniques and related inputs.

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 2 - FAIR VALUE MEASUREMENTS (CONTINUED)

Realized and unrealized gains (losses) are included in investment income in the statements of activities and changes in net assets.

NOTE 3 - LAND, BUILDINGS, AND EQUIPMENT

A summary of land, buildings and equipment as of September 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Land	\$ 262,668	\$ 262,688
Buildings and Improvements	2,759,003	2,168,404
Equipment	286,932	286,932
Vehicles	<u>53,040</u>	<u>53,514</u>
Total Fixed Assets	3,361,642	2,771,538
Less Accumulated Depreciation	<u>(1,980,719)</u>	<u>(1,933,593)</u>
Net Land, Building and Equipment	\$ <u>1,380,923</u>	\$ <u>837,925</u>

In October 2021, the Board authorized the expenditure of over \$1,200,000 on capital improvements to take place over a period of five-years pursuant to the Foundation's five-year Strategic Plan. As of September 30, 2022, the Foundation spent \$590,599 on the installation of solar panels, rehabilitating two swimming pools and various other improvement projects. During the year ending September 30, 2023 the Foundation anticipates spending approximately \$500,000 on the installation of new wastewater and water systems at one of its campuses.

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 4 - RESTRICTED NET ASSETS

Net assets with donor restrictions as of September 30, 2022 and 2021 are available for the following purposes:

	<u>2022</u>	<u>2021</u>
Purpose and Time Restricted by Donors:		
Camp Scholarship Fund:		
Mascia Family	\$ 25,457	\$ 31,045
Mellins	273,670	333,744
Minnesota	141,620	172,708
Pavel Hristov	63,752	77,746
Scholarship	---	21,031
ARISE	6,613	6,613
Funds for the Arts	45,100	45,100
Red Hook Campaign	---	10,610
Palaez Memorial Fellowship – STEM Counselors	4,076	4,076
Time Restricted	<u>---</u>	<u>25,942</u>
Total Purpose and Time Restricted by Donors	560,289	728,615
Restricted by Donors in Perpetuity	546,309	519,309
Accumulated Losses and Distributions	<u>(44,008)</u>	<u>---</u>
Total Restricted by Donors in Perpetuity	<u>502,301</u>	<u>519,309</u>
Total Net Assets With Donor Restrictions	\$ <u>1,062,590</u>	\$ <u>1,247,924</u>

The income derived from monies restricted by donors in perpetuity is restricted for college and post-college scholarships.

NOTE 5 - BOARD DESIGNATED FOR RESERVES

The Board of Directors of the Foundation have implemented a reserve account to provide funding for future maintenance projects at camp. As of September 30, 2022 and 2021, \$242,401 and \$157,000, respectively, is Board designated as operating reserve.

NOTE 6 - RENTAL LEASES

In May 2022, The Foundation entered into a 10-year lease with an organization (Lessee) under which the Lessee rented the Foundation's Red Hook campus to run its day camp. The Foundation retains the right to use the campus during all times that the Lessee is not in session, including during nights and weekends. The terms of the lease call for payments of \$100,000 annually with a 3 percent increase per year. By complying with a specified notice period, either party may terminate the lease after five years.

LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 6 - RENTAL LEASES (CONTINUED)

The future minimum rental income is as follows:

2023	\$ 103,000
2024	106,090
2025	109,273
2026	<u>112,551</u>
Total	\$ <u>430,914</u>

NOTE 7 - EMPLOYEE BENEFIT PROGRAMS

The Foundation offers a 401(k) voluntary employee deferred tax savings plan. The Foundation annually pays 5% of all full time employees' salaries into the plan. Plan expenses incurred by the Foundation for the years ended September 30, 2022 and 2021 were \$15,872 and \$23,010, respectively.

The Foundation also funds one deferred compensation plan. The Foundation has an agreement to pay the former executive director or his beneficiary \$10,000 annually. This is included as an expense in the accompanying statements of functional expenses.

NOTE 8 - LEASE OBLIGATION

Effective February 15, 2016, the Foundation entered into a five year and two week lease for office space. The lease provides for no rent until May 1, 2016, at which point monthly rent payments are \$2,387 with annual escalation. This agreement expired February 28, 2021. At September 30, 2022, the Foundation was operating out of the Camp sites for both programmatic and support operations and did not intend to execute a new office lease. Rent expense for the years ended September 30, 2022 and 2021 was \$0 and \$17,255, respectively.

NOTE 9 - CONCENTRATIONS OF CREDIT RISK

The Foundation maintains a bank account at an institution that is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of September 30, 2022, the Foundation had no uninsured cash balances. The Foundation has not experienced any losses in this account and does not believe it is exposed to any significant credit risk on cash and cash equivalents.



LOUIS AUGUST JONAS FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

NOTE 10 - LIQUIDITY AND AVAILABILITY

The Foundation maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

The following represents the Foundation's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, comprised of the following at September 30:

	<u>2022</u>	<u>2021</u>
Financial Assets at Year End:		
Cash and Cash Equivalents	\$ 140,086	\$ 130,860
Pledges Receivable	---	25,942
Investments	<u>10,318,739</u>	<u>13,832,133</u>
Total Financial Assets Available Within One Year	10,458,825	13,988,935
Less Amounts Not Available to be Used Within One Year, Due to:		
Net Assets with Donor Restrictions	(1,062,590)	(1,247,924)
Designated Board Reserves	<u>(242,401)</u>	<u>(157,000)</u>
Total Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ <u>9,153,834</u>	\$ <u>12,584,011</u>