

**JEWISH FEDERATION OF ST. LOUIS**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

**JEWISH FEDERATION OF ST. LOUIS  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Jewish Federation of St. Louis  
St. Louis, Missouri

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of the Jewish Federation of St. Louis (a Missouri not-for-profit corporation) and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jewish Federation of St. Louis and Subsidiaries as of December 31, 2013 and 2012, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 28 through 33 is presented for purposes of additional analysis of the consolidated financial statements and is not a required part of the consolidated financial statements. In addition, the supplementary consolidating information on pages 32 and 33 is presented for additional analysis of the consolidated financial statements rather than present the financial position, results of operations and cash flows of the individual organizations. The supplementary 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 information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



**CliftonLarsonAllen LLP**

St. Louis, Missouri  
September 5, 2014

**JEWISH FEDERATION OF ST. LOUIS**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2013 AND 2012**

<b>ASSETS</b>	2013	2012
Cash and Cash Equivalents	\$ 1,456,126	\$ 2,879,184
Receivables:		
Campaign Pledges, Net of Allowance (Note 2)	1,873,808	1,881,437
Beneficiary Agencies, Net of Allowance	224,746	212,414
Accrued Interest	73,436	-
Other	190,293	211,823
Prepaid Expenses	98,807	312,293
Building and Equipment, Net (Note 4 and 5)	2,997,037	3,149,760
Notes Receivable (Note 6)	22,381,467	660,296
Contributions Receivable, Net (Note 3)	4,079,788	4,067,095
Long-Term Investments (Note 7)	138,764,178	130,378,187
	<b>\$ 172,139,686</b>	<b>\$ 143,752,489</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable:		
Beneficiary Agencies	\$ 2,174,505	\$ 1,877,347
The Jewish Federations of North America	443,830	340,482
Other Campaigns	34,054	52,219
Other	320,558	280,090
Grants Payable (Note 8)	366,321	450,740
Accrued Expense	507,188	477,346
Accrued Pension Obligation (Note 13)	1,736,341	2,870,455
Obligations to Beneficiaries Under Split-Interest Agreements (Note 9)	2,593,889	2,730,073
Line of Credit (Note 10)	1,130,567	1,193,402
Note Payable (Note 11)	21,699,613	-
Funds Held in Custody for Others (Note 12):		
Pooled Investments	15,573,894	19,673,081
Split-Interest Agreements (Note 9)	385,627	429,053
Passport to Israel	737,581	798,497
Other	891,674	771,535
Total Liabilities	48,595,642	31,944,320
<b>NET ASSETS</b>		
Unrestricted:		
Undesignated:		
Net Investment in Building and Equipment	2,997,037	3,149,760
Undesignated	(5,443,110)	(6,104,885)
Board-Controlled Endowments and Other:		
Philanthropic Funds	6,936,763	6,639,055
Board Designated as Endowment	9,743,059	9,363,329
Board Designated as Future Use	29,879,635	27,854,769
Other	32,922,835	28,876,675
Total Unrestricted	77,036,219	69,778,703
Restricted:		
Temporarily (Note 17)	24,915,002	22,107,100
Permanently (Note 16)	21,592,823	19,922,366
Total Net Assets	123,544,044	111,808,169
	<b>\$ 172,139,686</b>	<b>\$ 143,752,489</b>

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF ST. LOUIS  
CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2013**

	Unrestricted			Restricted		
	General Operating	Board-Controlled Endowments and Other	Total	Temporarily	Permanently	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>						
Pledges:						
Regular Campaign:						
Pledges Received in the Current Year	\$ 8,403,119	\$ -	\$ 8,403,119	\$ -	\$ -	\$ 8,403,119
Pledges Restricted for Subsequent Year	-	-	-	449,486	-	449,486
Pledges Received in the Prior Year	862,239	-	862,239	(862,239)	-	-
Total Regular Campaign	9,265,358	-	9,265,358	(412,753)	-	8,852,605
Annual Campaign: Designated	-	-	-	807,292	-	807,292
Other Campaigns	1,000	-	1,000	2,702	-	3,702
Friends of Holocaust Campaign	275,813	-	275,813	-	-	275,813
Friends of the Saul Brodsky Library Campaign	31,695	-	31,695	-	-	31,695
Less: Amounts Derived from Board-Controlled Funds	(686,807)	(1,186,112)	(1,872,919)	-	-	(1,872,919)
Net Campaigns	8,887,059	(1,186,112)	7,700,947	397,241	-	8,098,188
Contributions, Bequests and Gifts	161,475	7,061,313	7,222,788	341,698	1,670,457	9,234,943
Government Grants	107,819	-	107,819	6,009	-	113,828
United Way of Greater St. Louis, Inc.	179,475	-	179,475	-	-	179,475
Other Grants	105,375	-	105,375	47,427	-	152,802
Services to Beneficiary Agencies	244,711	-	244,711	-	-	244,711
Other Income	152,921	-	152,921	-	-	152,921
Investment Income	144,605	2,112,182	2,256,787	608,591	-	2,865,378
Net Gain on Investments	2,257	4,565,034	4,567,291	3,692,234	-	8,259,525
Change in Value of Split-Interest Agreements	-	-	-	102,337	-	102,337
Net Assets Released from Restrictions:						
Program	1,613,096	(743)	1,612,353	(1,612,353)	-	-
Other	911,897	-	911,897	(911,897)	-	-
Reclassification from Board and Donor Restricted Endowments, Net	2,275,321	(2,411,936)	(136,615)	136,615	-	-
Total Revenues, Gains, and Other Support	14,786,011	10,139,738	24,925,749	2,807,902	1,670,457	29,404,108
<b>APPROPRIATIONS AND EXPENSES</b>						
<b>ALLOCATIONS</b>						
Unrestricted:						
Local Agencies	3,126,368	-	3,126,368	-	-	3,126,368
Israel and Overseas	2,092,721	-	2,092,721	-	-	2,092,721
National Agencies	116,950	-	116,950	-	-	116,950
Strategic Program Grants:						
Ensuring the Jewish Future	752,145	-	752,145	-	-	752,145
Caring for Jews in Need - Domestic	468,645	-	468,645	-	-	468,645
Caring for Jews in Need - Overseas	511,780	-	511,780	-	-	511,780
Community Engagement	137,410	-	137,410	-	-	137,410
Jewish Federation of North America - Dues	358,534	-	358,534	-	-	358,534
Reserve Fund	14,638	-	14,638	-	-	14,638
Endowment and Foundation Distributions:						
Beneficiary and Other Local Agencies	425,381	1,968,049	2,393,430	-	-	2,393,430
National Agencies	8,827	107,497	116,324	-	-	116,324
Distributions to Charitable Organizations	76,440	1,188,417	1,264,857	-	-	1,264,857
Other Campaigns	192,224	-	192,224	-	-	192,224
Total Appropriations	8,282,063	3,263,963	11,546,026	-	-	11,546,026
<b>EXPENSES</b>						
Program	783,461	-	783,461	-	-	783,461
Holocaust Museum/Community Library	863,007	-	863,007	-	-	863,007
Operating:						
General Campaign	1,515,335	-	1,515,335	-	-	1,515,335
Community Services	1,227,248	-	1,227,248	-	-	1,227,248
Building Operations	346,298	-	346,298	-	-	346,298
Endowment Services	759,023	-	759,023	-	-	759,023
Management and General	2,011,696	127,311	2,139,007	-	-	2,139,007
Total Expenses	7,506,068	127,311	7,633,379	-	-	7,633,379
Total Appropriations and Expenses	15,788,131	3,391,274	19,179,405	-	-	19,179,405
Changes in Net Assets Before Pension Changes	(1,002,120)	6,748,464	5,746,344	2,807,902	1,670,457	10,224,703
Pension Related Change Other than						
Net Periodic Cost, Net Gain (Loss) (Note 13)	1,511,172	-	1,511,172	-	-	1,511,172
Changes in Net Assets	509,052	6,748,464	7,257,516	2,807,902	1,670,457	11,735,875
Net Assets at Beginning of Year	(2,955,125)	72,733,828	69,778,703	22,107,100	19,922,366	111,808,169
Net Assets at End of Year	\$ (2,446,073)	\$ 79,482,292	\$ 77,036,219	\$ 24,915,002	\$ 21,592,823	\$ 123,544,044

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF ST. LOUIS  
CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2013**

	Unrestricted			Restricted		
	General Operating	Board-Controlled Endowments and Other	Total	Temporarily	Permanently	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>						
Pledges:						
Regular Campaign:						
Pledges Received in the Current Year	\$ 8,560,625	\$ -	\$ 8,560,625	\$ -	\$ -	\$ 8,560,625
Pledges Restricted for Subsequent Year	-	-	-	862,239	-	862,239
Pledges Received in the Prior Year	913,604	-	913,604	(913,604)	-	-
Total Regular Campaign	9,474,229	-	9,474,229	(51,365)	-	9,422,864
Annual Campaign: Designated	-	-	-	333,359	-	333,359
Other Campaigns	50,426	-	50,426	-	-	50,426
Friends of Holocaust Campaign	148,221	-	148,221	-	-	148,221
Less: Amounts Derived from Board-Controlled Funds	(402,635)	(1,769,490)	(2,172,125)	(25,000)	-	(2,197,125)
Net Campaigns	9,270,241	(1,769,490)	7,500,751	256,994	-	7,757,745
Contributions, Bequests and Gifts	74,263	9,650,588	9,724,851	777,275	543,632	11,045,758
Government Grants	90,014	-	90,014	-	-	90,014
United Way of Greater St. Louis, Inc.	166,975	-	166,975	12,500	-	179,475
Other Grants	73,554	-	73,554	29,000	-	102,554
Services to Beneficiary Agencies	285,766	-	285,766	-	-	285,766
Other Income	281,036	2,538	283,574	-	-	283,574
Investment Income	(303,290)	1,750,233	1,446,943	618,619	-	2,065,562
Net Gain (Loss) on Investments	132,305	6,025,600	6,157,905	2,512,593	-	8,670,498
Change in Value of Split-Interest Agreements	-	-	-	11,492	-	11,492
Net Assets Released from Restrictions:						
Program	896,571	45,730	942,301	(942,301)	-	-
Other	824,313	-	824,313	(824,313)	-	-
Reclassification from Board and Donor Restricted Endowments, Net	2,795,945	(3,079,495)	(283,550)	283,550	-	-
Total Revenues, Gains, and Other Support	14,587,693	12,625,704	27,213,397	2,735,409	543,632	30,492,438
<b>APPROPRIATIONS AND EXPENSES</b>						
<b>ALLOCATIONS</b>						
Unrestricted:						
Local Agencies	3,190,949	-	3,190,949	-	-	3,190,949
Israel and Overseas	2,257,225	-	2,257,225	-	-	2,257,225
National Agencies	125,500	-	125,500	-	-	125,500
Strategic Program Grants:						
Ensuring the Jewish Future	424,914	-	424,914	-	-	424,914
Caring for Jews in Need - Domestic	267,770	-	267,770	-	-	267,770
Caring for Jews in Need - Overseas	477,180	-	477,180	-	-	477,180
Community Engagement	34,051	-	34,051	-	-	34,051
Jewish Federation of North America - Dues	364,676	-	364,676	-	-	364,676
Reserve Fund	26,650	-	26,650	-	-	26,650
Endowment and Foundation Distributions:						
Beneficiary and Other Local Agencies	365,217	1,643,137	2,008,354	-	-	2,008,354
National Agencies	6,100	105,213	111,313	-	-	111,313
Distributions to Charitable Organizations	42,467	1,189,799	1,232,266	-	-	1,232,266
Other Campaigns	165,251	-	165,251	-	-	165,251
Total Appropriations	7,747,950	2,938,149	10,686,099	-	-	10,686,099
<b>EXPENSES</b>						
Program	1,018,900	-	1,018,900	-	-	1,018,900
Holocaust Museum/Community Library	826,832	-	826,832	-	-	826,832
Operating:						
General Campaign	1,488,170	-	1,488,170	-	-	1,488,170
Community Services	1,160,602	-	1,160,602	-	-	1,160,602
Building Operations	343,662	-	343,662	-	-	343,662
Endowment Services	862,682	-	862,682	-	-	862,682
Management and General	1,421,359	29,280	1,450,639	-	-	1,450,639
Total Expenses	7,122,207	29,280	7,151,487	-	-	7,151,487
Total Appropriations and Expenses	14,870,157	2,967,429	17,837,586	-	-	17,837,586
Changes in Net Assets Before Pension Changes	(282,464)	9,658,275	9,375,811	2,735,409	543,632	12,654,852
Pension Related Change Other than Net Periodic Cost, Net Gain (Loss)	(802,269)	-	(802,269)	-	-	(802,269)
Changes in Net Assets	(1,084,733)	9,658,275	8,573,542	2,735,409	543,632	11,852,583
Net Assets at Beginning of Year	(1,870,392)	63,075,553	61,205,161	19,371,691	19,378,734	99,955,586
Net Assets at End of Year	\$ (2,955,125)	\$ 72,733,828	\$ 69,778,703	\$ 22,107,100	\$ 19,922,366	\$ 111,808,169

See accompanying Notes to Consolidated Financial Statements.

**JEWISH FEDERATION OF ST. LOUIS**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 11,735,875	\$ 11,852,583
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	293,313	272,377
Contributions Restricted for Long-Term Purposes	(1,588,201)	(463,976)
Contribution of Non-Cash Items	(4,796,694)	(5,511,703)
Pension Related Changes Other than Net Periodic Cost	(1,511,172)	802,269
Provision for Recovery of Uncollectible Receivables	-	124,347
Net Investment Gain	(8,259,525)	(8,670,498)
Amortization of Discount on Contribution Receivable	(107,148)	(108,664)
Amortization of Discount on Grants Payable	(5,981)	(7,455)
Change in Value of Split-Interest Agreements	(102,337)	(11,492)
Change in Assets and Liabilities:		
Decrease in Receivables	37,846	433,359
(Increase) Decrease in Prepaid Expenses	213,486	(97,138)
Increase (Decrease) in Accounts Payable	422,809	(203,737)
Increase (Decrease) in Grants Payable	(78,438)	14,100
Increase (Decrease) in Accrued Expense	406,899	(263,380)
Increase in Obligations Under Split-Interest Agreements	513,401	416,376
Decrease in Funds Held in Custody for Others	(4,098,223)	(1,105,210)
Amounts Restricted for Investment in Permanently Restricted Endowments	(25,000)	-
Net Cash Used by Operating Activities	(6,949,090)	(2,527,842)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Collections of Notes Receivable	1,310,387	260,000
Increase in Notes Receivable	(23,031,558)	(559,543)
Purchases of Building Improvements and Equipment	(140,590)	(163,976)
Purchase of Long-Term Investments	(23,860,246)	(22,436,977)
Proceeds from Sale of Long-Term Investments	28,545,308	26,132,367
Net Cash Provided (Used) by Investing Activities	(17,176,699)	3,231,871
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Note Payable and Line of Credit	23,000,000	21,402
Payments on Notes Payable and Line of Credit	(1,363,222)	(294,839)
Proceeds from Amounts Restricted for Investment in Permanently Restricted Endowments	25,000	-
Contributions Restricted for Long-Term Purposes	1,588,201	463,976
Other Financing Activities - Payments of Obligations under Split-Interest Agreements	(547,248)	(440,374)
Net Cash Provided (Used) by Financing Activities	22,702,731	(249,835)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,423,058)	454,194
Cash and Cash Equivalents - Beginning	2,879,184	2,424,990
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	\$ 1,456,126	\$ 2,879,184
<b>SUPPLEMENTAL DISCLOSURE FOR NONCASH TRANSACTIONS</b>		
Interest Paid	\$ 490,061	\$ 29,867
Noncash Contributions	\$ 4,796,694	\$ 5,717,100

See accompanying Notes to Consolidated Financial Statements.



**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Jewish Federation of St. Louis and Subsidiaries (the Federation) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below:

**Basis of Presentation**

The Federation is a charitable corporation established for the purpose of soliciting, collecting, and distributing contributions for the benefit of all Jewish charitable, social welfare, cultural, educational, and philanthropic organizations and for providing certain asset management and general services to beneficiary agencies. The beneficiary agencies are legally separate operating entities distinct from the Federation and, as such, maintain their own accounting records and carry on their own services and programs. The activities of such agencies are not included in these consolidated financial statements.

The accompanying consolidated financial statements include the accounts and operations of the Lubin-Green Foundation, the Staenberg Family Foundation and the Kranzberg Foundation (the Foundations). The Foundations are separate not-for-profit entities, organized under Section 509(a)(3) of the Internal Revenue Code, and operated to carry out the purposes of the Federation. The Federation appoints a majority of the members of the Foundations' Boards of Directors, and provides all administrative services for the Foundations. All significant transactions between the Federation and the Foundations have been eliminated.

The Federation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

These consolidated financial statements have been prepared to focus on the Federation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classifying fund balances and transactions into three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Unrestricted Net Assets – Net assets not subject to donor-imposed stipulations. Unrestricted net assets are further subdivided by the Federation as follows:

Undesignated – Presents unrestricted net assets and increases and decreases in those net assets related to the annual appropriation process and other general operations of the Federation.

Board-Controlled Endowments – Presents unrestricted net assets designated by the board of directors to function as endowments, and philanthropic funds representing irrevocable gifts to the Federation. Principal and income of philanthropic funds must be redistributed to qualifying charitable organizations; however, the Federation retains full discretion as to the distribution.

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that will be met by actions of the Federation and/or the passage of time. After the donor-imposed time or purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported within the consolidated statements of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Federation. Generally, the donors of these assets permit the Federation to use all or part of the income earned on related investments for specific purposes.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. State grants are recognized as revenue to the extent expenses have been incurred under the terms of the respective grant agreements. Expenses are reported as decreases in unrestricted net assets. Investment income, including realized and unrealized net gains or losses on investments, is reported as an increase or a decrease in unrestricted net assets unless its use is restricted by donor stipulation or by law.

**Cash and Cash Equivalents**

For purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash on hand and in banks, certificates of deposit, and interest-bearing money market accounts not intended to be held for long-term investment purposes.

**Fair Value Measurements**

The Federation measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Federation may use valuation techniques consistent with the market, income and cost approaches to measure fair value.

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements (Continued)**

Financial assets recorded on the consolidated statement of financial position are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Federation has the ability to access (examples include active exchange-traded equity securities, listed derivatives, and most U.S. Government and agency securities).

*Level 2* – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in non-active markets (examples include corporate and municipal bonds, which trade infrequently);
- Pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including interest rate and currency swaps); and
- Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability (examples include certain residential and commercial mortgage related assets, including loans, securities, and derivatives).

*Level 3* – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability (examples include certain private equity investments and split-interest agreements).

Accounting standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The Federation carries all non-publicly traded equity securities at the lower of cost or market unless the election under this accounting standard has been made. To date the Federation has elected to carry all non-publicly traded equity securities at fair value with the exception of certain real-estate holdings. In addition, the Federation has individually elected to carry obligations under split-interest agreements at fair value.

**Building and Equipment**

Building and equipment additions equal to or greater than \$5,000 are capitalized at cost at date of acquisition, or fair market value at date of donation. Depreciation is recorded to relate the cost of depreciable assets to operations over their estimated service lives on the straight-line method.

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

A substantial portion of the valuations included in the financial statements are provided to the Federation by third parties and are not calculated by the Federation. These third parties follow U.S. generally accepted accounting principles (GAAP). In accordance with these principles, investments carried at fair value are based on quoted market prices, financial models of hypothetical transactions, or net asset value as determined by the fund manager. Investments in non-publicly traded real estate limited partnerships of approximately \$10,870,000 and \$4,544,000 at December 31, 2013 and 2012, respectively, are carried at the lower of cost or fair value. Cost for these investments if contributed is based on the fair value of the investments as determined by an independent appraisal at the date of the gift.

Cash equivalents are carried at cost and cash surrender value of life insurance policies are carried at contract value. Some valuations may also be determined and approved by the managers or valuation committees of the funds in which the Federation invests. The fair value assigned to a particular security by the fund does not necessarily reflect the amount that would be realized. In addition, in light of the judgment involved in fair value decisions, there can be no assurance that a fair value assigned to a particular security by the fund is accurate.

The Federation invests in a variety of investment vehicles, including limited partnerships that invest in public and private equity securities, debt securities and real estate.

In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position.

Donated investments are initially recorded at estimated fair value at the date of donation. Realized and unrealized gains and losses are recognized in the period in which they occur.

Investments in life insurance policies are carried at net cash surrender value. Changes in cash surrender value (realized and unrealized) are recorded in the consolidated statements of activities.

The Federation maintains an investment pool available for participation by all Federation funds and other beneficiary agencies. Investment income derived from "pooled" investments is allocated to the participants based on their respective equities, represented by units of participation, in the investment pool.

Investment income earned on board-controlled endowments (other than philanthropic funds) is reclassified to unrestricted general operating net assets in the year subsequent to the year earned based on the spending rate adopted by the Federation's Board of Directors. The annual spending rate is based on a predetermined percentage applied to the average carrying value of these board-controlled endowments. The amount reclassified in this manner is the amount considered to be available for appropriations to beneficiary agencies and others in the annual budget process.

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Pledges and Contributions**

Pledges and contributions, including unconditional promises to give in future periods, are recognized as revenues in the period received. Pledges, contributions and unconditional promises that are expected to be collected within one year are recorded at net realizable value. Pledges, contributions and unconditional promises that are expected to be collected in future periods are recorded at the present value of their estimated future cash flows. This value is determined to be fair value and is calculated using an income approach of applying a discount rate technique in the year in which the pledge is received. Amortization of the discounts is included in contribution revenue. Conditional pledges and contributions, which depend upon specified future and uncertain events, are recognized as revenue when the conditions upon which they depend are substantially met.

An allowance for uncollectible pledges and contributions receivable are provided based upon management's estimate of unconditional promises to give which will ultimately not be collected. The Federation collection policy allows for delinquent pledges less than \$5,000 to be deemed uncollectible by Federation staff and subsequently written off after an internal approval process. Delinquent pledges \$5,000 and greater will be assigned to a committee that will determine collection strategies or recommend write-off.

Pledges and contributions received with donor-imposed restrictions that are satisfied in the same year as the pledge is received are reported initially as revenues of the temporarily restricted net asset class, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions.

Contributions of property and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of the unrestricted net asset class. Pledges of assets other than cash are recorded at their estimated fair value at the date satisfied. Pledges of cash or other assets to be used to acquire property and equipment are reported as revenues of the temporarily restricted net asset class; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

**Regular Campaign Pledges Restricted for Subsequent Year**

Solicitation for the Federation's annual campaign begins prior to the fiscal operating year to which it relates. Campaign pledges and related cash contributions received between commencement of the annual campaign and December 31 each year are initially recorded as "regular campaign pledges restricted for subsequent year" in the temporarily restricted net asset class. Such pledges are reclassified to unrestricted net assets – regular campaign revenue at the beginning of the year to which they relate.

**Appropriations to Beneficiary Agencies and the Jewish Federations of North America**

Appropriations to beneficiary agencies are recorded in the unrestricted net asset class when approved by the Board of Directors of the Federation. Appropriations are paid to beneficiary agencies in the year following the campaign from which they are funded and are reflected as accounts payable to beneficiary agencies in the accompanying consolidated financial statements. The Federation uses appropriations to the Jewish Federations of North America for directing national and international funds.

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Expenses**

Expenses are allocated directly whenever directly identifiable. Expenses which are not directly identifiable by program or support service are allocated based on the best estimates of management.

**Use of Estimates**

The preparation of the consolidated financial statements in conformity with GAAP requires the Federation to make estimates and assumptions that affect the reported amounts of 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.

**Fair Value of Financial Instruments**

The carrying amounts of cash and cash equivalents, accounts payable, accrued expenses, allocations and contributions payable, and agency funds payable approximate fair value because of the short maturity of these financial instruments. Pledges receivable are initially recorded at fair value using an appropriate discount rate and approximate fair value at year-end. Obligations under split-interest agreements approximate fair value based on life expectancy of the beneficiary and the present value of expected cash flows using a discount rate.

**Federal Income Taxes**

The Federation has been recognized by the Internal Revenue Service as exempt from income taxes under Section 501(c)(3) of the Internal revenue Code and, accordingly, is generally not subject to income taxes. The Federation has adopted guidance regarding the recognition of uncertain income tax positions. The Federation's policy prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized.

The Federation and its consolidated entities file as tax exempt organizations. The Federation's 2010, 2011, 2012 and 2013 (when filed) tax years are open for examination by the IRS.

**Subsequent Events**

In preparing these consolidated financial statements, the Federation has evaluated events and transactions for potential recognition or disclosure in these consolidated financial statements through September 5, 2014, the date the consolidated financial statements were available to be issued.

**Reclassifications**

Certain 2012 amounts have been reclassified to conform to the 2013 presentation.

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 2 CAMPAIGN PLEDGES RECEIVABLE**

At December 31, 2013 and 2012, campaign pledges receivable expected to be collected in the future consisted of the following campaigns.

	<u>2013</u>	<u>2012</u>
Annual	\$ 2,621,928	\$ 2,534,436
Israel Emergency Campaign	1,200	7,250
Operation Exodus	75,000	75,000
Passage to Freedom	15,000	15,000
Other	171	383
Total Campaign Pledges Receivables	<u>2,713,299</u>	<u>2,632,069</u>
Less: Allowance for Uncollectible Pledge Receivable	<u>(839,491)</u>	<u>(750,632)</u>
Campaign Pledge Receivables, Net of Allowance	<u>\$ 1,873,808</u>	<u>\$ 1,881,437</u>

The regular campaign pledges receivable consisted of pledges from the following annual campaign years:

<u>Campaign Year</u>	<u>2013</u>	<u>2012</u>
2014	\$ 28,065	\$ -
2013	1,861,396	403,531
2012	269,177	1,472,835
2011	86,380	165,392
2010	87,694	109,191
2009	54,486	66,566
2008 and Prior	<u>234,730</u>	<u>316,921</u>
Total Regular Campaign Pledge Receivable	<u>\$ 2,621,928</u>	<u>\$ 2,534,436</u>

As of December 31, 2013 and 2012, the Federation had no conditional pledges or conditional contributions receivable.

**NOTE 3 CONTRIBUTIONS RECEIVABLE**

Contributions receivable are unconditional promises to give the Federation for purposes other than annual or other campaigns. At December 31, 2013 and 2012, contributions receivable expected to be collected in the future consisted of the following:

	<u>2013</u>	<u>2012</u>
Unrestricted	\$ 133,437	\$ 140,716
Permanently and Temporarily Restricted	7,108,143	7,195,319
Contributions Receivable before Unamortized Discount	<u>7,241,580</u>	<u>7,336,035</u>
Less: Unamortized Discounts from 5.25% to 6.05%	<u>(3,161,792)</u>	<u>(3,268,940)</u>
Net Contribution Receivable	<u>\$ 4,079,788</u>	<u>\$ 4,067,095</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 3 CONTRIBUTIONS RECEIVABLE (CONTINUED)**

<u>Amounts Due in</u>	<u>2013</u>	<u>2012</u>
2013	\$ -	\$ 299,956
2014	201,662	-
2015	-	-
2016	-	-
2017	-	-
2018	-	-
Thereafter	<u>7,039,918</u>	<u>7,036,079</u>
Total Contributions Receivable Before Unamortized Discounts	<u>\$ 7,241,580</u>	<u>\$ 7,336,035</u>

Two contributions receivable constitute 86% and 83% of net contributions receivable at December 31, 2013 and 2012, respectively.

**NOTE 4 RELATED PARTY TRANSACTIONS**

Certain individuals who serve on the Board of Directors of the Federation also serve on the Boards of Directors of the recipient local beneficiary agencies. The Federation appropriates amounts to various local beneficiary agencies based on budgets submitted to the Federation's Planning and Allocations Committee for approval, which are related party transactions.

Periodically the Federation has a member of its board of directors serve on the Board of Directors of the Jewish Federations of North America. As such, transactions and balances with the Jewish Federations of North America are considered related party transactions.

During the years ended December 31, 2013 and 2012, the Federation billed several local beneficiary agencies amounts representing their share of certain administrative expenses. Receivables from beneficiary agencies include billings for services provided to such agencies, and other loans or advances.

The members of the Federation's Board of Directors generously support the Federation. The approximate amount of board support included in pledges and contributions for the years ended December 31, 2013 and 2012 were approximately \$1.3 million and \$1.8 million, respectively, and the approximate amount of the pledges and contributions receivable due from board members were approximately \$165,000 and \$207,000, respectively. Additional receivables resulting from long-term deferred gifts were approximately \$2.5 million at December 31, 2013 and 2012.

The Federation's building is located on a parcel of land leased from an affiliated organization. The lease term is 99 years commencing in 1980 and required a payment of \$100 at the commencement of the lease. The lease contains an option to purchase the land for \$100 however the land, if purchased, would contain a restrictive covenant that the land conveyed shall never be used for any purpose except the construction and operation of a building for Jewish community services and cultural activities. Subsequent to year-end, the Federation has begun negotiations to purchase the land.



**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 5 BUILDING AND EQUIPMENT**

A summary of building and equipment at December 31, 2013 and 2012 is as follows:

	Estimated Useful Life in Years	2013	2012
Building	45	\$ 2,960,707	\$ 2,960,707
Holocaust Museum	33	666,249	666,249
Furniture, Fixtures and Equipment	3-12	4,416,644	4,312,481
		<u>8,043,600</u>	<u>7,939,437</u>
Less: Accumulated Depreciation		5,046,563	4,789,677
Building and Equipment, Net		<u>\$ 2,997,037</u>	<u>\$ 3,149,760</u>

Depreciation expense was \$293,314 and \$272,377 for 2013 and 2012, respectively.

**NOTE 6 NOTES RECEIVABLE**

Notes receivable consist of the following:

	Interest Rate	Maturity Date	2013	2012
Central Agency for Jewish Education	5.00%	None	\$ 31,581	\$ 30,073
<p>Unsecured note. Accrued interest is added to the then outstanding principal. Principal and outstanding interest become payable January 1, 2015, or when CAJE's pension liability is less than \$40,000.</p>				
St. Louis Hillel at Washington University	5.00%	12/31/2017	140,000	143,750
<p>Unsecured note. Interest is due monthly; principal payments are due annually at a subscribed amount.</p>				
Saul Mirowitz Community School	5.00%	1/1/2015	510,273	486,473
<p>\$750,000 revolving line of credit. Accrued interest is added to the then outstanding principal and due upon maturity. Principal payments may be made at any time. On January 10, 2014 a principal payment equal to \$250,000 or balance of the then principal outstanding, whichever is larger, is due. Note is secured by all unrestricted pledges of donors to the school. On February 21, 2014 the principal of this loan was received in full.</p>				
Jewish Community Center	2.75%	3/31/2018	21,699,613	-
<p>Interest due monthly, principal may be repaid at any time but the outstanding principal shall not exceed the maximum amounts as set forth in Note 11 of these financial statements. The note is secured by a security interest in substantially all assets and personal property of the Jewish Community Center.</p>				
			<u>\$ 22,381,467</u>	<u>\$ 660,296</u>

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 7 LONG-TERM INVESTMENTS**

Long-term investments represent assets which are intended to be held by the Federation on a long-term basis. Such assets are either designated by the board of directors for long-term investment or are subject to donor-imposed, temporary or permanent restrictions.

At December 31, 2013, the balance consisted of the following:

	<u>Carrying Value</u>	<u>Cost</u>
Cash Equivalents	\$ 5,784,329	\$ 5,784,329
Investments at Fair Value:		
Capital Preservation and US Government Obligations	2,515,830	2,204,881
State of Israel Bonds	2,306,525	2,311,500
Global Fixed Income	17,010,623	16,530,811
United States Equity	24,780,996	17,092,348
International Equity	25,130,044	25,199,002
Private Equity	10,541,335	6,420,771
Absolute Return Strategies	14,270,789	10,987,584
Commodities and Real Assets	11,385,104	10,517,426
Real Estate	12,878,576	12,381,016
Real Estate, at Cost	10,870,653	10,870,653
Cash Surrender Value of Life Insurance Policies	1,255,367	1,255,367
Other	34,007	34,007
Total Long-Term Investments	<u>\$ 138,764,178</u>	<u>\$ 121,589,695</u>

At December 31, 2012, the balance consisted of the following:

	<u>Carrying Value</u>	<u>Cost</u>
Cash Equivalents	\$ 3,371,803	\$ 3,371,803
Investments at Fair Value:		
Capital Preservation and US Government Obligations	3,649,930	3,051,855
State of Israel Bonds	2,992,485	2,996,500
Global Fixed Income	19,003,873	18,245,277
United States Equity	25,685,576	23,885,475
International Equity	16,839,251	18,038,499
Private Equity	11,592,626	7,610,693
Absolute Return Strategies	13,094,035	10,757,137
Commodities and Real Assets	15,031,024	14,702,574
Real Estate	13,284,018	14,212,003
Real Estate, at Cost	4,544,319	4,544,318
Cash Surrender Value of Life Insurance Policies	1,255,240	1,255,240
Other	34,007	34,007
Total Long-Term Investments	<u>\$ 130,378,187</u>	<u>\$ 122,705,381</u>

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 7 LONG-TERM INVESTMENTS (CONTINUED)**

The following is a summary of the investment income relating to marketable securities held for the years ended December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Investment Income:		
Interest Income	\$ 2,958,528	\$ 2,180,246
Investment Advisor and Custodian Fees	(93,150)	(114,684)
Total Investment Income	<u>\$ 2,865,378</u>	<u>\$ 2,065,562</u>

**NOTE 8 GRANTS PAYABLE**

At December 31, 2013 and 2012, grants payable expected to be paid in the future consisted of the following:

	<u>2013</u>	<u>2012</u>
Grants Payable	\$ 376,700	\$ 467,100
Less: Unamortized Discount	(10,379)	(16,360)
Net Grants Payable	<u>\$ 366,321</u>	<u>\$ 450,740</u>

<u>Amounts Due in</u>	<u>2013</u>	<u>2012</u>
2013	\$ -	\$ 275,100
2014	229,200	48,000
2015	72,500	48,000
2016	55,000	48,000
2017	20,000	48,000
2018	-	-
Total Grants Payable Before Unamortized Discount	<u>\$ 376,700</u>	<u>\$ 467,100</u>

The discount rate used for new grants payable was 4.57% and 3.66% in 2013 and 2012, respectively.

**NOTE 9 SPLIT-INTEREST AGREEMENTS**

The Federation administers annuity trusts subject to the obligation to pay stipulated amounts periodically to the respective donors or designated beneficiaries during their lifetimes. Assets received under these agreements are recorded at fair value on the date the agreement or trust is recognized, and a liability is recorded at the present value of the estimated future obligations over the period of the agreement or mortality rates if applicable. The difference between the assets received and obligations recorded is recognized as contribution revenue. The obligations are discounted at 4.62% and 3.66% at December 31, 2013 and 2012, respectively. Marketable securities valued at \$3,749,767 and \$3,840,301 at December 31, 2013 and 2012, respectively, were available to fund annuity obligations.

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 10 LINE OF CREDIT**

The Federation has an unsecured line of credit agreement with US Bank which allows it to borrow up to \$2,500,000 with interest accruing at the one-month LIBOR rate plus 1.5%. LIBOR was .17% at December 31, 2013 and such, the interest rate for the line of credit was 1.67%. The amounts outstanding at December 31, 2013 and 2012 were \$1,130,567 and \$1,193,402, respectively.

**NOTE 11 NOTE PAYABLE**

	<u>Interest Rate</u>	<u>2013</u>	<u>2012</u>
Note Payable - U.S. Bank	2.75%	\$ 21,699,613	\$ -

Interest is payable monthly, principal payments may be made at any time but the outstanding principal balance shall not exceed the maximum amounts as of the respective dates set forth below with a maturity date of March 30, 2018:

<u>Date</u>	<u>Maximum Outstanding Principal Balance</u>
December 31, 2014	\$20,600,000
December 31, 2015	17,600,000
December 31, 2016	14,600,000
December 31, 2017	11,600,000

The note is secured by the Federation's rights in its loan to its beneficiary agency (described in Note 6 of these financial statements), \$14,000,000 of Federation owned investments held in the pooled investments of the organization, and capital campaign pledges made payable to the beneficiary agency of which the Federation is party. In addition, the Federation must maintain unrestricted cash and investments in an amount not less than the greater of the aggregated amount of all outstanding debt or \$20,000,000. The Federation has complied or obtained waivers for any non-compliance with debt covenants.

The note payable balance has been reduced to \$14,806,965 at September 5, 2014.

**NOTE 12 FUNDS HELD IN CUSTODY FOR OTHERS**

Funds held in custody for others include investments of various beneficiary agencies and other organizations which participate in the pooled investment program of the Federation, which are related parties. These agencies and organizations retain the authority to withdraw these funds at any time with certain advance notice. Funds held in custody for others also include the estimated amount to be distributed to other organizations upon the death of a donor annuity beneficiary and amounts to be distributed in accordance with the Passport to Israel program.

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 13 RETIREMENT PLANS**

**Defined Contribution Plan**

Effective July 1, 2011, the Federation adopted an ERISA 403(b) plan with a match and a discretionary employer contribution component. The Federation makes matching contributions of 50% of employees' contributions, up to 4% of compensation, to all eligible employees. Matching contributions were \$43,825 and \$53,161 in 2013 and 2012, respectively. In addition, all employees hired after February 2011, with one year of service and employed on the last day of the year, are eligible for an employer discretionary contribution. The discretionary contribution is a predetermined percentage of the employees' annual compensation and is determined by years of service. The employer discretionary contribution was \$9,076 and \$2,989 in 2013 and 2012, respectively.

**Defined Benefit Plan**

The Federation has a noncontributory defined benefit pension and disability plan (the Plan) covering all employees hired prior to February 2011. The Plan's benefits are based primarily on years of service and average employee compensation near retirement. Plan costs are funded as they accrue. In February 2011, the board of directors approved freezing the Plan to new entrants and amended the future benefit accrual as of July 1, 2011. Annual contributions to the plan are determined by an actuary using the aggregate actuarial cost method which is designed to meet the full annual current costs of the plan. The Federation estimates that contributions to the retirement plan will be \$140,000 in 2014.

The measurement dates used for the Plan disclosures are as of December 31, 2013 and 2012 and for the years then ended.

The changes in the projected benefit obligation are as follows:

	<u>2013</u>	<u>2012</u>
Projected Benefit Obligation at Beginning of Year	\$ 7,576,177	\$ 6,074,038
Increase (Decrease) During Year Attributable to:		
Services Cost	240,338	214,622
Interest Cost	271,447	274,465
Actuarial Changes Due to Assumption Change(s)	(1,403,424)	1,035,271
Other Actuarial Losses	412,829	55,369
Benefits Disbursed	(33,728)	(77,588)
Settlement	(592,613)	-
Net Increase for Year	<u>(1,105,151)</u>	<u>1,502,139</u>
Projected Benefit Obligation at End of Year	<u>\$ 6,471,026</u>	<u>\$ 7,576,177</u>
Accumulated Benefit Obligation	<u>\$ 5,852,679</u>	<u>\$ 6,509,483</u>

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 13 RETIREMENT PLAN (CONTINUED)**

The changes in fair value of net assets available for plan benefits are as follows:

	<u>2013</u>	<u>2012</u>
Fair Value of Net Assets Available for Plan Benefits at Beginning of Year	\$ 4,693,030	\$ 3,764,797
Increase (Decrease) During Year Attributable to:		
Actual Return on Plan Assets	506,478	374,704
Employer Contributions	162,489	631,117
Benefits Paid	(33,728)	(77,588)
Settlement Paid	<u>(592,613)</u>	<u>-</u>
Net Increase for Year	<u>42,626</u>	<u>928,233</u>
Fair Value of Net Assets Available for Plan Benefits at End of Year	<u>\$ 4,735,656</u>	<u>\$ 4,693,030</u>

A reconciliation of the funded status of the Plan is as follows:

	<u>2013</u>	<u>2012</u>
Liability for Pension Benefits as of Beginning of Year	\$ (2,884,118)	\$ (2,310,212)
Net Periodic Pension Costs	(525,884)	(402,754)
Employer Contributions	162,489	631,117
Net Loss in Unrestricted Net Assets	<u>1,511,172</u>	<u>(802,269)</u>
Liability for Pension Benefits at End of Year	<u>\$ (1,736,341)</u>	<u>\$ (2,884,118)</u>

The components of annual net periodic pension cost for the Plan consists of the following:

	<u>2013</u>	<u>2012</u>
Service Costs, Benefit Earned During the Year	\$ 240,338	\$ 214,622
Interest on Projected Benefit Obligation	271,447	274,465
Expected Return on Plan Assets	(231,363)	(209,247)
Amortization of Net Actuarial Loss	179,224	122,914
Effect of Settlement	66,238	-
Net Cost	<u>\$ 525,884</u>	<u>\$ 402,754</u>

A reconciliation of items not yet reflected in net periodic pension costs:

	<u>2013</u>	<u>2012</u>
Net Loss at Beginning of Year	\$ 2,234,426	\$ 1,432,157
Reclassified as Net Periodic Benefit Cost	(179,224)	(122,914)
Net (Gain) Loss Arising During Period	(1,265,710)	925,183
Amount Recognized Due to Settlement	<u>(66,238)</u>	<u>-</u>
Net Loss at End of Year	<u>\$ 723,254</u>	<u>\$ 2,234,426</u>

In 2014, it is estimated that \$9,012 of unrecognized net loss will be reclassified as annual net periodic pension cost.

**JEWISH FEDERATION OF ST. LOUIS**  
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**NOTE 13 RETIREMENT PLAN (CONTINUED)**

Actuarial assumptions are as follows:

	<u>2013</u>	<u>2012</u>
Assumptions Used to Determine Year-End Benefit Obligation:		
Discount Rate	5.00%	4.00%
Rate of Increase in Compensation Levels	3.00%	4.00%
Assumptions Used to Determine Net Periodic Pension Costs:		
Discount Rate	4.00%	4.75%
Expected Long-Term Rate of Return on Assets	6.75%	6.75%
Rate of Increase in Compensation Levels	4.00%	4.00%

The expected long-term return on plan assets assumption was developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The overall return for each asset class was developed by combining a long-term inflation component and the associated expected real rates. The development of the capital market assumptions utilized a variety of methodologies, including, but not limited to, historical analysis, stock valuation models such as dividend discount models and earnings yields' models, expected economic growth outlook, and market yields analysis.

The following benefit payments which reflect expected future service, as appropriate, are expected to be paid as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2014	\$ 530,000
2015	140,000
2016	700,000
2017	1,040,000
2018	320,000
2019-2022	2,100,000

The Federation's pension plan asset allocations at December 31, 2013 and 2012, by asset category, are as follows:

<u>Asset Category</u>	<u>Plan Assets</u>	
	<u>2013</u>	<u>2012</u>
Cash and Cash Equivalents	3.19 %	3.97 %
Fixed Income	43.19	45.53
Large U.S. Equity	31.98	29.73
Small/Mid U.S. Equity	10.75	10.19
International Equity	10.89	10.58
Total	<u>100.00 %</u>	<u>100.00 %</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 13 RETIREMENT PLAN (CONTINUED)**

The following tables represent the Federation's fair value hierarchy for pension plan assets measured at fair value on a recurring basis as of December 31, 2013 and 2012.

	2013			
	Level 1	Level 2	Level 3	Total
Pension Plan Assets:				
Fixed Income	\$ -	\$ 2,045,141	\$ -	\$ 2,045,141
Large U.S. Equity	-	1,514,693	-	1,514,693
Small/Mid U.S. Equity	-	508,696	-	508,696
International Equity	-	515,876	-	515,876
Total	\$ -	\$ 4,584,406	\$ -	\$ 4,584,406

	2012			
	Level 1	Level 2	Level 3	Total
Pension Plan Assets:				
Fixed Income	\$ -	\$ 2,136,800	\$ -	\$ 2,136,800
Large U.S. Equity	-	1,395,395	-	1,395,395
Small/Mid U.S. Equity	-	478,191	-	478,191
International Equity	-	496,491	-	496,491
Total	\$ -	\$ 4,506,877	\$ -	\$ 4,506,877

The Federation's Investment Policy has been to allow the Plan's Custodian to allocate Plan assets based on the demographics of plan participants and expected future outflows.

**NOTE 14 OPERATING LEASE COMMITMENTS**

The Federation leases office space for various local beneficiary agencies from the Community Housing Association, Inc., a beneficiary agency. Annual rent expense in both 2013 and 2012 was \$49,508.

The following is a schedule of minimum rental payments under the above:

Year Ending December 31,	Amount
2014	\$ 49,508
2015	49,508
2015	50,454
2016	52,346
2017	52,346
Thereafter	139,590
Total	\$ 393,752



**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 15 FAIR VALUE MEASUREMENTS**

The Federation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Federation measure fair value, refer to Note 1 – Summary of Significant Accounting Policies.

The following tables represent the Federation’s fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2013 and 2012.

	2013			
	Level 1	Level 2	Level 3	Total
Investments:				
Capital Preservation and				
U.S. Government Obligations	\$ 2,515,830	\$ -	\$ -	\$ 2,515,830
State of Israel Bonds	2,306,525	-	-	2,306,525
Global Fixed Income	15,907,484	-	1,103,139	17,010,623
United States Equity	20,716,188	4,064,808	-	24,780,996
International Equity	23,666,633	1,463,411	-	25,130,044
Private Equity	-	-	10,541,335	10,541,335
Absolute Return Strategies	-	14,270,789	-	14,270,789
Commodities and Real Assets	2,486,993	-	8,898,111	11,385,104
Real Estate	-	-	12,878,576	12,878,576
Total	<u>\$ 67,599,653</u>	<u>\$ 19,799,008</u>	<u>\$ 33,421,161</u>	<u>\$ 120,819,822</u>
Beneficial Interest in Charitable Remainder Unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,450</u>	<u>\$ 64,450</u>
Split-Interest Obligations to Beneficiaries and Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,979,516)</u>	<u>\$ (2,979,516)</u>

	2012			
	Level 1	Level 2	Level 3	Total
Investments:				
Capital Preservation and				
U.S. Government Obligations	\$ 3,649,930	\$ -	\$ -	\$ 3,649,930
State of Israel Bonds	2,992,485	-	-	2,992,485
Global Fixed Income	19,003,873	-	-	19,003,873
United States Equity	22,053,007	3,632,569	-	25,685,576
International Equity	15,451,498	1,387,753	-	16,839,251
Private Equity	-	-	11,592,626	11,592,626
Absolute Return Strategies	-	13,094,035	-	13,094,035
Commodities and Real Assets	4,361,778	-	10,669,246	15,031,024
Real Estate	-	-	13,284,018	13,284,018
Total	<u>\$ 67,512,571</u>	<u>\$ 18,114,357</u>	<u>\$ 35,545,890</u>	<u>\$ 121,172,818</u>
Beneficial Interest in Charitable Remainder Unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,450</u>	<u>\$ 64,450</u>
Split-Interest Obligations to Beneficiaries and Others	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,159,126)</u>	<u>\$ (3,159,126)</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Level 3 Assets**

The following table provides a summary of changes in fair value of the Federation's Level 3 financial assets by fair value category for the years ended December 31, 2013 and 2012:

	Private Equity	Commodities - Real Assets	Real Estate	Global Fixed Income
January 1, 2012	\$ 11,211,588	\$ 9,235,039	\$ 12,186,283	\$ -
Purchases	848,170	1,342,019	1,503,876	-
Sales	(1,773,613)	(260,000)	(393,694)	-
Earned Income	-	-	-	-
Unrealized and Realized Gains and (Losses)	1,306,481	352,188	(12,447)	-
December 31, 2012	11,592,626	10,669,246	13,284,018	-
Purchases and Contributions	1,101,294	388,000	2,144,832	1,344,337
Sales	(3,644,946)	(2,500,000)	(1,012,978)	-
Earned Income	-	-	-	-
Unrealized and Realized Gains and (Losses)	1,492,361	340,865	(1,537,296)	(241,198)
December 31, 2013	<u>\$ 10,541,335</u>	<u>\$ 8,898,111</u>	<u>\$ 12,878,576</u>	<u>\$ 1,103,139</u>

	Beneficial Interest in Unitrust	Split-Interest Obligations to Beneficiaries and Others
January 1, 2012	\$ 64,450	\$ (3,196,690)
Distributions to Beneficiaries	-	369,826
Investment Income	-	(29,740)
Unrealized and Realized Gains and (Losses)	-	(314,014)
Change in Value	-	11,492
December 31, 2012	64,450	(3,159,126)
Distributions to Beneficiaries	-	547,248
Investment Income	-	(20,952)
Unrealized and Realized Gains and (Losses)	-	(449,023)
Change in Value	-	102,337
December 31, 2013	<u>\$ 64,450</u>	<u>\$ (2,979,516)</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Level 2 and Level 3 Investments**

The following table summarizes Level 2 and Level 3 investments by major category as of December 31, 2013 and 2012:

	2013	2012	Unfunded Commitments at December 31, 2013	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Global Fixed Income	\$ 1,103,139	\$ -	\$ 2,185,018	n/a	n/a
US Equity	2,393,971	2,071,968	-	Annually	60 days
US Equity	1,670,837	1,560,601	-	Semi-Annually	60 days
International Equity	1,463,411	1,387,753	-	Quarterly	45 days
Private Equity	10,541,335	11,592,626	1,294,020	n/a	n/a
Absolute Return	1,869,813	1,970,335	-	Annually	45-90 days
Absolute Return	5,416,992	4,929,016	-	Semi-Annually	75 days
Absolute Return	6,983,984	6,194,684	-	Quarterly	60-65 days
Commodities	8,898,111	10,669,246	3,248,015	n/a	n/a
Real Estate	12,878,576	13,284,018	-	n/a	n/a
	<u>\$ 53,220,169</u>	<u>\$ 53,660,247</u>	<u>\$ 6,727,053</u>		

Global Fixed Income includes investments in private funds that invest in mezzanine securities issued by lower middle market companies in North America. The investments consist of subordinated debt combined with equity features such as convertible debt, preferred stock or warrants. Underlying investments are valued quarterly and annually and have restricted liquidity provisions.

United State Equity and International Equity funds include long-term investments in domestic securities and foreign securities, respectively. In this category, units were priced daily but the fund manager with certain liquidity restrictions imposed on participants.

Private equity includes investments in funds of funds holding underlying positions in funds owning private assets. Underlying investments are valued quarterly and annually and have restrictive liquidity provisions. Investing in private equity provides diversification, growth potential, and wider market access to the overall portfolio.

Absolute Return funds invest in diversified portfolios designed to provide a less correlated source of return than fixed income and equity strategies. The strategy is implemented with a wide array of financial instruments, both domestic and global, including equities, fixed income and derivatives. Managers may leverage portfolios, sell financial instruments short and/or invest selectively in illiquid investments.

Commodities take positions in a variety of commodities, commodity futures, as well as equity securities closely correlated with the performance of such assets, including energy related companies. Investing in commodities provides additional diversification as well as a hedge against inflation. In this category, units were priced daily but the fund manager with certain liquidity restrictions imposed on participants.

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)**

Real Estate investments consist of minority interests in limited liability companies holding retail properties. Real Estate assets are valued annually by management using a discounted cash flow model. Such investments are not marketable and have liquidity restrictions imposed.

**NOTE 16 ENDOWMENT**

The Federation's endowment consists of approximately 307 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 GAAP, 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. Certain donor contributions restricted for specific purpose or time are considered by the board of directors as quasi-endowments and are included in temporarily restricted endowments.

Endowment net asset activity and type of fund for the years ended December 31, 2013 and 2012:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, December 31, 2011	\$ 37,578,033	\$ 16,510,853	\$ 19,378,734	\$ 73,467,620
Earnings:				
Interest and Dividends, Net of Fees	1,009,792	618,619	-	1,628,411
Realized Losses	1,586,356	958,785	-	2,545,141
Unrealized Gains	2,283,249	1,626,343	-	3,909,592
Total Investment Returns	4,879,397	3,203,747	-	8,083,144
Contributions	7,611,579	545,063	543,632	8,700,274
Appropriations for Expenditure	(5,206,086)	(777,021)	-	(5,983,107)
Other Changes: Transfers	-	-	-	-
Endowment Net Assets, December 31, 2012	44,862,923	19,482,642	19,922,366	84,267,931
Earnings:				
Interest and Dividends, Net of Fees	970,292	608,590	-	1,578,882
Realized Gains	1,834,734	1,360,319	-	3,195,053
Unrealized Gains	2,316,899	2,193,760	-	4,510,659
Total Investment Returns	5,121,925	4,162,669	-	9,284,594
Contributions	2,207,962	139,764	1,670,457	4,018,183
Appropriations for Expenditure	(6,939,080)	(1,759,426)	-	(8,698,506)
Other Changes: Transfers	-	-	-	-
Endowment Net Assets, December 31, 2013	<u>\$ 45,253,730</u>	<u>\$ 22,025,649</u>	<u>\$ 21,592,823</u>	<u>\$ 88,872,202</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**NOTE 16 ENDOWMENT (CONTINUED)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund Net Assets by Type of Fund as of December 31, 2012:				
Donor-Restricted Endowment Funds	\$ -	\$ 6,044,070	\$ 19,922,366	\$ 25,966,436
Board Restricted Endowment Funds	44,862,923	13,438,572	-	58,301,495
Total Endowment Funds	<u>\$ 44,862,923</u>	<u>\$ 19,482,642</u>	<u>\$ 19,922,366</u>	<u>\$ 84,267,931</u>
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund Net Assets by Type of Fund as of December 31, 2013:				
Donor-Restricted Endowment Funds	\$ -	\$ 7,025,770	\$ 21,592,823	\$ 28,618,593
Board Restricted Endowment Funds	45,253,730	14,999,879	-	60,253,609
Total Endowment Funds	<u>\$ 45,253,730</u>	<u>\$ 22,025,649</u>	<u>\$ 21,592,823</u>	<u>\$ 88,872,202</u>

**Return Objectives and Risk Parameters**

The primary investment objective of the portfolio is an emphasis on capital appreciation with modest current income. The portfolio seeks to maximize potential total return consistent with minimizing overall volatility in the context of these guidelines. The total rate of return for individual investment styles will be compared to their appropriate index.

**Spending Policy**

The Federation has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value over the prior eight quarters through the calendar year-end proceeding the calendar year prior to the year distribution is planned. In establishing this policy, the Federation considered the long-term expected return on its endowment.

**NOTE 17 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES**

Restricted net assets at December 31, 2013 and 2012 consist of the following:

	Temporarily Restricted		Permanently Restricted	
	2013	2012	2013	2012
Gifts and Other Unexpected Revenues and Grants Available for:				
Acquisition of Building and Equipment	\$ 136,923	\$ 136,923	\$ -	\$ -
Pledges Restricted for Subsequent Year	1,598,476	1,995,967	-	-
Other Time and Purpose Restricted Funds	22,303,119	19,370,487	21,592,823	19,922,366
Donor Annuities	876,484	603,723	-	-
Total Donor Restricted Net Assets	<u>\$ 24,915,002</u>	<u>\$ 22,107,100</u>	<u>\$ 21,592,823</u>	<u>\$ 19,922,366</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**UNRESTRICTED ALLOCATIONS AND STRATEGIC PROGRAM**  
**GRANTS TO BENEFICIARY AND OTHER AGENCIES**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013		2012	
	Unrestricted Allocation	Strategic Program Grants	Unrestricted Allocation	Strategic Program Grants
B'nai Amoona	\$ -	\$ 2,500		
B'nai B'rith Hillel Foundation	167,042	24,720	\$ 171,519	\$ 26,200
BHR Worldwide	-	-	-	2,800
Central Agency for Jewish Education of St. Louis	649,132	463,722	699,403	59,057
Chabad on Campus	-	30,850	-	-
Community Aging Corporation	69,887	-	69,887	-
Day School Funding Pool:				
H. F. Epstein Hebrew Academy	142,379	-	98,557	-
Saul Mirowitz Community Day School	137,164	-	122,218	56,361
Torah Prep School	225,031	-	164,673	-
The Gladys & Henry Crown Center for Senior Living	-	98,704	-	34,100
Innovation Grants	-	30,000	-	-
Jewish Community Center:	991,405	221,451	1,083,503	130,950
Jewish Community Relations Council:	295,669	12,125	296,932	12,125
Jewish Family and Children's Service	329,603	185,771	360,222	99,920
Jewish Federations of North America:				
Domestic Agencies	-	270,857	-	295,224
Overseas Agencies	-	511,780	-	477,180
MERS/ Goodwill Industries	41,886	-	43,650	-
Moishe House	-	-	-	-
Next D'Or	-	10,000	-	10,000
St. Louis Jewish Light	77,170	-	80,385	-
St. Louis Kollel	-	7,500	-	-
	<u>\$ 3,126,368</u>	<u>\$ 1,869,980</u>	<u>\$ 3,190,949</u>	<u>\$ 1,203,917</u>

**JEWISH FEDERATION OF ST. LOUIS**  
**SCHEDULES OF FUNCTIONAL EXPENSE**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

Year Ended December 31, 2013	Holocaust							2013 Total
	Program	Museum and Library	General Campaign	Community Services	Building Operations	Endowment Services	Management and General	
Salaries and Benefits	\$ 512,946	\$ 428,297	\$ 1,066,127	\$ 845,336	\$ 245,691	\$ 545,457	\$ 584,083	\$ 4,227,937
Professional Fees	105,056	69,921	70,274	161,330	-	60,870	363,199	830,650
Meetings, Events and Conferences	31,576	29,050	56,920	20,118	31	5,015	67,947	210,657
Missions	853	-	21,852	11,113	-	-	18,175	51,993
Local Transportation	5,132	4,938	1,167	999	792	85	5,815	18,928
Supplies and Equipment Maintenance	6,300	23,064	4,784	4,305	38,366	449	36,262	113,530
Promotional Materials and Printing	33,438	72,392	36,740	25,392	-	11,939	14,456	194,357
Books, Publications, and Subscriptions	17,376	1,714	3,928	2,554	87	-	11,639	37,298
Awards and Grants	12,761	2,865	1,995	90	-	97,851	10,257	125,819
Telephone	300	-	434	27	20,713	-	3,078	24,552
Postage and Shipping	4,083	9,136	20,548	1,484	31	3,639	6,961	45,882
Utilities	-	-	-	-	74,400	-	-	74,400
Building and Grounds Maintenance	-	8,743	-	-	109,993	-	-	118,736
Occupancy	27,875	180,840	49,851	33,947	49,508	19,660	31,057	392,738
Insurance	7,255	-	-	-	22,247	-	32,144	61,646
Miscellaneous	-	462	-	-	-	-	13,291	13,753
Interest	-	-	-	-	-	-	490,061	490,061
Brokerage Costs - Gifts	-	-	10,583	-	-	-	-	10,583
Depreciation	18,510	31,585	35,300	28,825	145,544	14,058	19,491	293,313
Intercompany Charges	-	-	-	(52,140)	(361,105)	-	(65,826)	(479,071)
<b>Total Operating Expenses</b>	<b>783,461</b>	<b>863,007</b>	<b>1,380,503</b>	<b>1,083,380</b>	<b>346,298</b>	<b>759,023</b>	<b>1,642,090</b>	<b>6,857,762</b>
Provision for Uncollectible Pledges	-	-	-	-	-	-	-	-
Transition Expenses	-	-	134,832	143,868	-	-	496,917	775,617
<b>Total Expenses</b>	<b>\$ 783,461</b>	<b>\$ 863,007</b>	<b>\$ 1,515,335</b>	<b>\$ 1,227,248</b>	<b>\$ 346,298</b>	<b>\$ 759,023</b>	<b>\$ 2,139,007</b>	<b>\$ 7,633,379</b>

Year Ended December 31, 2012	Holocaust							2012 Total
	Program	Museum and Library	General Campaign	Community Services	Building Operations	Endowment Services	Management and General	
Salaries and Benefits	\$ 473,807	\$ 391,860	\$ 994,947	\$ 876,763	\$ 240,948	\$ 579,399	\$ 588,322	\$ 4,146,046
Professional Fees	345,859	74,306	57,732	62,676	1,159	42,528	252,713	836,973
Meetings, Events and Conferences	30,260	40,455	173,076	16,092	41	10,968	71,477	342,369
Missions	-	-	68,908	10,630	-	-	7,071	86,609
Local Transportation	3,083	5,360	1,819	728	697	82	4,392	16,161
Supplies and Equipment Maintenance	5,003	13,583	5,248	4,483	36,552	1,005	38,526	104,400
Promotional Materials and Printing	34,947	71,178	40,693	47,925	-	34,053	18,005	246,801
Books, Publications, and Subscriptions	16,604	2,120	1,718	124	35	50	8,160	28,811
Awards and Grants	54,678	3,650	1,127	435	-	158,910	9,207	228,007
Telephone	200	-	1,250	277	24,372	-	2,846	28,945
Postage and Shipping	4,560	9,512	29,945	1,972	-	2,059	7,942	55,990
Utilities	-	-	-	-	68,055	-	-	68,055
Building and Grounds Maintenance	-	5,040	-	-	117,067	-	-	122,107
Occupancy	28,992	176,191	50,950	37,568	49,508	21,788	31,565	396,562
Insurance	5,159	-	-	-	28,402	-	38,404	71,965
Miscellaneous	-	1,182	-	-	-	-	7,421	8,603
Interest	-	-	-	-	-	-	29,867	29,867
Brokerage Costs - Gifts	-	-	7,689	-	-	-	-	7,689
Depreciation	15,748	32,395	27,836	20,418	144,966	11,840	19,174	272,377
Intercompany Charges	-	-	-	(52,140)	(368,140)	-	(63,346)	(483,626)
<b>Total Operating Expenses</b>	<b>1,018,900</b>	<b>826,832</b>	<b>1,462,938</b>	<b>1,027,951</b>	<b>343,662</b>	<b>862,682</b>	<b>1,071,746</b>	<b>6,614,711</b>
Provision for Uncollectible Pledges	-	-	-	-	-	-	211,301	211,301
Transition Expenses	-	-	25,232	132,651	-	-	167,592	325,475
<b>Total Expenses</b>	<b>\$ 1,018,900</b>	<b>\$ 826,832</b>	<b>\$ 1,488,170</b>	<b>\$ 1,160,602</b>	<b>\$ 343,662</b>	<b>\$ 862,682</b>	<b>\$ 1,450,639</b>	<b>\$ 7,151,487</b>

**JEWISH FEDERATION OF ST. LOUIS  
SCHEDULES OF PROGRAM EXPENSES  
YEARS ENDED DECEMBER 31, 2013 AND 2012**

Year Ended December 31, 2013	NORC	Millstone Institute	P2000	Elderlink	Post Israel Engagement	Concierge Families & Young Children	Focus Israel	PJ Library	One Happy Camper	Web Development	2013 Total
Salaries and Benefits	\$ 165,200	\$ 178,937	\$ -	\$ -	\$ 50,223	\$ -	\$ -	\$ -	\$ -	\$ 118,586	\$ 512,946
Professional Fees	79,308	16,052	-	-	688	-	-	-	-	9,008	105,056
Meetings, Events and Conferences	13,136	12,584	-	-	5,856	-	-	-	-	-	31,576
Local Transportation	4,535	364	-	-	853	-	-	-	-	-	5,752
Supplies and Equipment Maintenance	2,137	1,865	-	-	233	-	-	-	-	2,268	6,503
Promotional Materials and Printing	4,360	2,057	-	-	30	-	-	-	-	22,213	28,660
Books, Publications, and Subscriptions	-	1,267	-	-	4,808	-	-	-	-	16,109	22,184
Awards and Grants	-	1,261	-	-	11,500	-	-	-	-	-	12,761
Telephone	-	300	-	-	-	-	-	-	-	-	300
Postage and Shipping	3,546	248	-	-	289	-	-	-	-	-	4,083
Occupancy	8,427	7,455	-	-	2,917	-	-	-	-	9,076	27,875
Insurance	-	-	-	-	-	-	-	-	-	7,255	7,255
Depreciation	5,796	5,221	-	-	2,092	-	-	-	-	5,401	18,510
<b>Total Expenses</b>	<b>\$ 286,445</b>	<b>\$ 227,611</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 79,489</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 189,916</b>	<b>\$ 783,461</b>

Year Ended December 31, 2012	NORC	Millstone Institute	P2000	Elderlink	Post Israel Engagement	Concierge Families & Young Children	Focus Israel	PJ Library	One Happy Camper	Web Development	2012 Total
Salaries and Benefits	\$ 140,443	\$ 144,066	\$ -	\$ 4,303	\$ 32,889	\$ 22,161	\$ 10,684	\$ 20,143	\$ 976	\$ 98,142	\$ 473,807
Professional Fees	74,169	10,131	-	158,603	-	-	-	26,181	360	76,415	345,859
Meetings, Events and Conferences	(1,173)	28,960	-	-	947	-	(82)	977	37	594	30,260
Local Transportation	2,182	224	-	-	515	12	-	-	150	-	3,083
Supplies and Equipment Maintenance	2,100	1,525	-	-	-	-	4	712	-	662	5,003
Promotional Materials and Printing	3,826	3,140	-	-	-	-	-	960	3,326	23,695	34,947
Books, Publications, and Subscriptions	-	1,514	-	-	-	-	-	-	-	15,090	16,604
Awards and Grants	75	603	-	-	5,000	-	-	-	49,000	-	54,678
Telephone	-	200	-	-	-	-	-	-	-	-	200
Postage and Shipping	3,690	349	-	-	-	3	-	488	3	27	4,560
Occupancy	9,435	7,891	-	172	2,745	1,830	686	915	-	5,318	28,992
Insurance	-	-	-	-	-	-	-	-	-	5,159	5,159
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Depreciation	5,128	4,289	-	93	1,492	1,013	337	506	-	2,890	15,748
<b>Total Expenses</b>	<b>\$ 239,875</b>	<b>\$ 202,892</b>	<b>\$ -</b>	<b>\$ 163,171</b>	<b>\$ 43,588</b>	<b>\$ 25,019</b>	<b>\$ 11,629</b>	<b>\$ 50,882</b>	<b>\$ 53,852</b>	<b>\$ 227,992</b>	<b>\$ 1,018,900</b>



**JEWISH FEDERATION OF ST. LOUIS**  
**SCHEDULES OF COMMUNITY SERVICES EXPENSES**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

Year Ended December 31, 2013	Planning and Allocation	Government Relations	Consultation with Agencies	Israel Overseas	Communications	Foundation and Corporate Relations	2013 Total
Salaries and Benefits	\$ 356,348	\$ 43,641	\$ 97,390	\$ 56,050	\$ 254,668	\$ 37,239	\$ 845,336
Professional Fees	25,934	60,440	-	-	74,956	-	161,330
Meetings, Events and Conferences	15,748	62	18	-	3,952	338	20,118
Missions	8,124	-	-	50	2,939	-	11,113
Local Transportation	941	6	-	-	52	-	999
Supplies and Equipment Maintenance	2,364	15	-	-	1,631	295	4,305
Promotional Materials and Printing	4,270	-	-	-	21,122	-	25,392
Books, Publications, and Subscriptions	2,045	-	-	-	509	-	2,554
Awards and Grants	90	-	-	-	-	-	90
Telephone	27	-	-	-	-	-	27
Postage and Shipping	603	-	-	-	631	250	1,484
Occupancy	10,748	972	3,565	1,134	14,611	2,917	33,947
Depreciation	7,545	698	2,433	813	15,367	1,969	28,825
Intercompany Charges	-	-	-	-	(52,140)	-	(52,140)
Transition Expenses	15,938	-	-	-	127,930	-	143,868
Total Expenses	<u>\$ 450,725</u>	<u>\$ 105,834</u>	<u>\$ 103,406</u>	<u>\$ 58,047</u>	<u>\$ 466,228</u>	<u>\$ 43,008</u>	<u>\$ 1,227,248</u>
Year Ended December 31, 2012	Planning and Allocation	Government Relations	Consultation with Agencies	Israel Overseas	Communications	Foundation and Corporate Relations	2012 Total
Salaries and Benefits	\$ 318,323	\$ 38,715	\$ 122,336	\$ 48,399	\$ 293,551	\$ 55,439	\$ 876,763
Professional Fees	11	60,000	-	-	2,665	-	62,676
Meetings, Events and Conferences	9,245	37	-	9	6,793	8	16,092
Missions	1,215	-	-	9,415	-	-	10,630
Local Transportation	706	9	-	3	10	-	728
Supplies and Equipment Maintenance	2,451	-	-	-	1,672	360	4,483
Promotional Materials and Printing	292	-	-	-	47,633	-	47,925
Books, Publications, and Subscriptions	88	-	-	-	36	-	124
Awards and Grants	245	-	-	-	190	-	435
Telephone	-	-	-	-	277	-	277
Postage and Shipping	597	-	-	-	1,106	269	1,972
Occupancy	12,008	1,029	3,774	1,372	16,126	3,259	37,568
Depreciation	6,526	559	2,051	746	8,764	1,772	20,418
Intercompany Charges	-	-	-	-	(52,140)	-	(52,140)
Transition Expenses	29,671	-	-	-	102,980	-	132,651
Total Expenses	<u>\$ 381,378</u>	<u>\$ 100,349</u>	<u>\$ 128,161</u>	<u>\$ 59,944</u>	<u>\$ 429,663</u>	<u>\$ 61,107</u>	<u>\$ 1,160,602</u>

**JEWISH FEDERATION OF ST. LOUIS  
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION  
DECEMBER 31, 2013**

<b>ASSETS</b>	Jewish Federation of St. Louis	Supporting Foundations	Total Before Eliminations	Eliminations	Consolidated Total
Cash and Cash Equivalents	\$ 1,222,266	\$ 233,860	\$ 1,456,126	\$ -	\$ 1,456,126
Receivables:					
Campaign Pledges, Net of Allowance	1,873,808	-	1,873,808	-	1,873,808
Beneficiary Agencies, Net of Allowance	243,996	-	243,996	(19,250)	224,746
Accrued Interest	73,436	-	73,436	-	73,436
Other	190,293	-	190,293	-	190,293
Intercompany Receivables	-	-	-	-	-
Prepaid Expenses	98,807	-	98,807	-	98,807
Building and Equipment, Net	2,997,037	-	2,997,037	-	2,997,037
Notes Receivable	22,381,467	-	22,381,467	-	22,381,467
Contributions Receivable, Net	1,477,892	2,601,896	4,079,788	-	4,079,788
Long-Term Investments	105,775,973	32,988,205	138,764,178	-	138,764,178
<b>Total Assets</b>	<b>\$ 136,334,975</b>	<b>\$ 35,823,961</b>	<b>\$ 172,158,936</b>	<b>\$ (19,250)</b>	<b>\$ 172,139,686</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>LIABILITIES</b>					
Accounts Payable:					
Beneficiary Agencies	\$ 2,174,505	\$ -	\$ 2,174,505	\$ -	\$ 2,174,505
The Jewish Federations of North America	443,830	-	443,830	-	443,830
Other Campaigns	34,054	-	34,054	-	34,054
Other	318,419	16,389	334,808	(14,250)	320,558
Grants Payable	-	371,321	371,321	(5,000)	366,321
Accrued Expense	507,188	-	507,188	-	507,188
Accrued Pension Obligation	1,736,341	-	1,736,341	-	1,736,341
Obligations to Beneficiaries Under					
Split-Interest Agreements	2,593,889	-	2,593,889	-	2,593,889
Line of Credit	1,130,567	-	1,130,567	-	1,130,567
Note Payable	21,699,613	-	21,699,613	-	21,699,613
Funds Held in Custody for Others:					
Pooled Investments	15,573,894	-	15,573,894	-	15,573,894
Split-Interest Agreements	385,627	-	385,627	-	385,627
Passport to Israel	737,581	-	737,581	-	737,581
Other	891,674	-	891,674	-	891,674
<b>Total Liabilities</b>	<b>48,227,182</b>	<b>387,710</b>	<b>48,614,892</b>	<b>(19,250)</b>	<b>48,595,642</b>
<b>NET ASSETS</b>					
Unrestricted:					
Undesignated:					
Net Investment in Building and Equipment	2,997,037	-	2,997,037	-	2,997,037
Undesignated	(5,443,110)	-	(5,443,110)	-	(5,443,110)
Board-Controlled Endowments and Other:					
Philanthropic Funds	6,936,763	-	6,936,763	-	6,936,763
Board Designated as Endowment	9,743,059	-	9,743,059	-	9,743,059
Board Designated as Future Use	29,879,635	-	29,879,635	-	29,879,635
Other	88,480	32,834,355	32,922,835	-	32,922,835
<b>Total Unrestricted</b>	<b>44,201,864</b>	<b>32,834,355</b>	<b>77,036,219</b>	<b>-</b>	<b>77,036,219</b>
Restricted:					
Temporarily	24,915,002	-	24,915,002	-	24,915,002
Permanently	18,990,927	2,601,896	21,592,823	-	21,592,823
<b>Total Net Assets</b>	<b>88,107,793</b>	<b>35,436,251</b>	<b>123,544,044</b>	<b>-</b>	<b>123,544,044</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 136,334,975</b>	<b>\$ 35,823,961</b>	<b>\$ 172,158,936</b>	<b>\$ (19,250)</b>	<b>\$ 172,139,686</b>

**JEWISH FEDERATION OF ST. LOUIS  
CONSOLIDATING SCHEDULE OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2013**

	Jewish Federation of St. Louis				Supporting Foundations			Eliminating Entries	Jewish Federation of St. Louis			
	Unrestricted	Restricted Temporarily	Restricted Permanently	Total	Unrestricted	Restricted	Total		Unrestricted	Restricted Temporarily	Restricted Permanently	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>												
Pledges:												
Regular Campaign:												
Pledges Received in the Current Year	\$ 8,403,119	\$ -	\$ -	\$ 8,403,119	\$ -	\$ -	\$ -	\$ -	\$ 8,403,119	\$ -	\$ -	\$ 8,403,119
Pledges Restricted for Subsequent Year	-	449,486	-	449,486	-	-	-	-	-	449,486	-	449,486
Pledges Received in the Prior Year	862,239	(862,239)	-	-	-	-	-	-	862,239	(862,239)	-	-
Total Regular Campaign	9,265,358	(412,753)	-	8,852,605	-	-	-	-	9,265,358	(412,753)	-	8,852,605
Annual Campaign: Designated	-	807,292	-	807,292	-	-	-	-	-	807,292	-	807,292
Total Annual Campaign	9,265,358	394,539	-	9,659,897	-	-	-	-	9,265,358	394,539	-	9,659,897
Other Campaigns	1,000	2,702	-	3,702	-	-	-	-	1,000	2,702	-	3,702
Friends of Holocaust Campaign	275,813	-	-	275,813	-	-	-	-	275,813	-	-	275,813
Friends of the Saul Brodsky Library Campaign	31,695	-	-	31,695	-	-	-	-	31,695	-	-	31,695
Less: Amounts Derived from Board-Controlled Funds	(1,288,919)	-	-	(1,288,919)	(584,000)	-	(584,000)	-	(1,872,919)	-	-	(1,872,919)
Net Campaigns	8,284,947	397,241	-	8,682,188	(584,000)	-	(584,000)	-	7,700,947	397,241	-	8,098,188
Contributions, Bequests and Gifts	2,369,438	341,698	1,588,201	4,299,337	4,853,350	82,256	4,935,606	(5,000)	7,222,768	341,698	1,670,457	9,234,943
Government Grants	107,819	6,009	-	113,828	-	-	-	-	107,819	6,009	-	113,828
United Way of Greater St. Louis, Inc.	179,475	-	-	179,475	-	-	-	-	179,475	-	-	179,475
Other Grants	105,375	47,427	-	152,802	-	-	-	-	105,375	47,427	-	152,802
Services to Beneficiary Agencies	244,711	-	-	244,711	-	-	-	(14,250)	244,711	-	-	244,711
Other Income	152,921	-	-	152,921	-	-	-	-	152,921	-	-	152,921
Investment Income	1,114,896	608,591	-	1,723,487	1,141,891	-	1,141,891	-	2,256,787	608,591	-	2,865,378
Net Gain on Investments	4,305,673	3,692,234	-	7,997,907	261,618	-	261,618	-	4,567,291	3,692,234	-	8,259,525
Change in Value of Split-Interest Agreements	-	102,337	-	102,337	-	-	-	-	-	102,337	-	102,337
Net Assets Released from Restrictions:												
Program	1,612,353	(1,612,353)	-	-	-	-	-	-	1,612,353	(1,612,353)	-	-
Other	911,897	(911,897)	-	-	-	-	-	-	911,897	(911,897)	-	-
Reclassification from Board and Donor Restricted Endowments, Net	67,033	136,615	-	203,648	(203,648)	-	(203,648)	-	(136,615)	136,615	-	-
Total Revenues, Gains, and Other Support	19,456,538	2,807,902	1,588,201	23,852,641	5,469,211	82,256	5,551,467	(19,250)	24,925,749	2,807,902	1,670,457	29,404,108
<b>APPROPRIATIONS AND EXPENSES</b>												
<b>APPROPRIATIONS</b>												
Unrestricted:												
Local Agencies	3,126,368	-	-	3,126,368	-	-	-	-	3,126,368	-	-	3,126,368
Israel and Overseas	2,092,721	-	-	2,092,721	-	-	-	-	2,092,721	-	-	2,092,721
National Agencies	116,950	-	-	116,950	-	-	-	-	116,950	-	-	116,950
Strategic Program Grants:												
Ensuring the Jewish Future	752,145	-	-	752,145	-	-	-	-	752,145	-	-	752,145
Caring for Jews in Need - Domestic	468,645	-	-	468,645	-	-	-	-	468,645	-	-	468,645
Caring for Jews in Need - Overseas	511,780	-	-	511,780	-	-	-	-	511,780	-	-	511,780
Community Engagement	137,410	-	-	137,410	-	-	-	-	137,410	-	-	137,410
Jewish Federation of North America - Dues	358,534	-	-	358,534	-	-	-	-	358,534	-	-	358,534
Reserve Fund	14,638	-	-	14,638	-	-	-	-	14,638	-	-	14,638
Endowment and Foundation Distributions:												
Beneficiary and Other Local Agencies	1,211,743	-	-	1,211,743	1,181,687	-	1,181,687	(5,000)	2,393,430	-	-	2,393,430
National Agencies	116,324	-	-	116,324	-	-	-	-	116,324	-	-	116,324
Distributions to Charitable Organizations	1,056,824	-	-	1,056,824	208,033	-	208,033	-	1,264,857	-	-	1,264,857
Other Campaigns	192,224	-	-	192,224	-	-	-	-	192,224	-	-	192,224
Total Appropriations	10,156,306	-	-	10,156,306	1,389,720	-	1,389,720	(5,000)	11,546,026	-	-	11,546,026
<b>EXPENSES</b>												
Program	783,461	-	-	783,461	-	-	-	-	783,461	-	-	783,461
Holocaust Museum/Community Library	863,007	-	-	863,007	-	-	-	-	863,007	-	-	863,007
Operating:												
General Campaign	1,515,335	-	-	1,515,335	-	-	-	-	1,515,335	-	-	1,515,335
Community Services	1,227,248	-	-	1,227,248	-	-	-	-	1,227,248	-	-	1,227,248
Building Operations	346,298	-	-	346,298	-	-	-	-	346,298	-	-	346,298
Endowment Services	759,023	-	-	759,023	-	-	-	-	759,023	-	-	759,023
Management and General	2,017,196	-	-	2,017,196	121,811	-	121,811	(14,250)	2,139,007	-	-	2,139,007
Total Expenses	7,511,568	-	-	7,511,568	121,811	-	121,811	(14,250)	7,633,379	-	-	7,633,379
Total Appropriations and Expenses	17,667,874	-	-	17,667,874	1,511,531	-	1,511,531	(19,250)	19,179,405	-	-	19,179,405
Changes in Net Assets Before Pension Changes	1,788,664	2,807,902	1,588,201	6,184,767	3,957,680	82,256	4,039,936	-	5,746,344	2,807,902	1,670,457	10,224,703
Pension Related Change Other than Net Periodic Cost, Net Loss	1,511,172	-	-	1,511,172	-	-	-	-	1,511,172	-	-	1,511,172
Changes in Net Assets	3,299,836	2,807,902	1,588,201	7,695,939	3,957,680	82,256	4,039,936	-	7,257,516	2,807,902	1,670,457	11,735,875
Net Assets at Beginning of Year	40,902,028	22,107,100	17,402,726	80,411,854	28,876,675	2,519,640	31,396,315	-	69,778,703	22,107,100	19,922,366	111,808,169
Net Assets at End of Year	\$ 44,201,864	\$ 24,915,002	\$ 18,990,927	\$ 88,107,793	\$ 32,834,355	\$ 2,601,896	\$ 35,436,251	\$ -	\$ 77,036,219	\$ 24,915,002	\$ 21,592,823	\$ 123,544,044