

# **The Center for Holocaust and Humanity Education (dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Financial Statements  
June 30, 2024 and 2023, and  
Independent Auditors' Report**

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**June 30, 2024 and 2023**

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## **Independent Auditors' Report**

Board of Trustees  
The Center for Holocaust and Humanity Education  
(dba The Nancy & David Wolf Holocaust and Humanity Center)  
Cincinnati, Ohio

### ***Opinion***

We have audited the accompanying financial statements of The Center for Holocaust and Humanity Education (dba The Nancy & David Wolf Holocaust and Humanity Center) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, 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 Center for Holocaust and Humanity Education (dba The Nancy & David Wolf Holocaust and Humanity Center) as of June 30, 2024 and 2023, 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 audit 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 The Center for Holocaust and Humanity Education (dba The Nancy & David Wolf Holocaust and Humanity Center) and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of these 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 The Center for Holocaust and Humanity Education's (dba The Nancy & David Wolf Holocaust and Humanity Center) ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Independent Auditors' Report  
(Continued)**

***Auditors' Responsibilities for the Audit of the Financial Statements***

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



November 6, 2024  
Cincinnati, Ohio

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
(dba The Nancy & David Wolf Holocaust and Humanity Center)

**Statements of Financial Position**  
**June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 2,247,438	\$ 1,384,159
Grants receivable and other assets	553,034	252,018
Capital campaign pledges receivable, net	215,145	438,403
Investments	10,400,565	8,055,583
Right of use asset - operating lease	743,284	894,187
Property and equipment, net	<u>3,370,432</u>	<u>4,016,434</u>
Total assets	<u><u>\$ 17,529,898</u></u>	<u><u>\$ 15,040,784</u></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 105,787	\$ 129,962
Accrued expenses	126,028	123,001
Lease liability - operating lease	<u>779,124</u>	<u>937,991</u>
Total liabilities	<u>1,010,939</u>	<u>1,190,954</u>
<b>Net assets</b>		
Without donor restriction	3,408,732	4,101,614
With donor restriction	<u>13,110,227</u>	<u>9,748,216</u>
Total net assets	<u>16,518,959</u>	<u>13,849,830</u>
Total liabilities and net assets	<u><u>\$ 17,529,898</u></u>	<u><u>\$ 15,040,784</u></u>

See accompanying notes to financial statements

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
(db a The Nancy & David Wolf Holocaust and Humanity Center)

**Statements of Activities**  
**Years Ended June 30, 2024 and 2023**

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and support</b>						
Grants and contributions	\$ 1,484,683	\$ 3,496,924	\$ 4,981,607	\$ 1,090,290	\$ 3,161,221	4,251,511
Investment return, net	60,960	1,155,762	1,216,722	4,965	452,434	457,399
Other income	307,860	-	307,860	229,389	-	229,389
In-kind contributions	59,478	-	59,478	80,254	-	80,254
Net assets released from restrictions	1,290,675	(1,290,675)	-	1,206,077	(1,206,077)	-
Total revenues and support	3,203,656	3,362,011	6,565,667	2,610,975	2,407,578	5,018,553
<b>Expenses</b>						
Program services	3,030,699	-	3,030,699	2,783,692	-	2,783,692
Management and general	526,337	-	526,337	463,269	-	463,269
Fundraising	339,502	-	339,502	359,187	-	359,187
Total expenses	3,896,538	-	3,896,538	3,606,148	-	3,606,148
Change in net assets	(692,882)	3,362,011	2,669,129	(995,173)	2,407,578	1,412,405
<b>Net assets, beginning of year</b>	4,101,614	9,748,216	13,849,830	5,096,787	7,340,638	12,437,425
<b>Net assets, end of year</b>	<u>\$ 3,408,732</u>	<u>\$ 13,110,227</u>	<u>\$ 16,518,959</u>	<u>\$ 4,101,614</u>	<u>\$ 9,748,216</u>	<u>\$ 13,849,830</u>

See accompanying notes to financial statements

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Statements of Functional Expenses**  
**Years Ended June 30, 2024 and 2023**

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and related benefits	\$ 1,167,411	\$ 267,673	\$ 263,732	\$ 1,698,816	\$ 971,534	\$ 179,859	\$ 268,482	\$ 1,419,875
Depreciation	652,235	43,161	3,931	699,327	652,235	43,161	3,931	699,327
Exhibits, speakers, and production costs	460,848	13,882	2,772	477,502	476,236	3,886	3,212	483,334
Professional services	234,796	113,059	24,307	372,162	196,566	120,746	32,748	350,060
Technology	206,361	22,584	22,839	251,784	98,118	5,712	11,449	115,279
Rent	166,010	36,624	3,335	205,969	191,370	42,219	3,845	237,434
Marketing	54,395	4,240	2,045	60,680	116,611	17,048	17,434	151,093
Insurance	19,354	4,270	389	24,013	16,557	3,653	333	20,543
Supplies and other	69,289	20,844	16,152	106,285	64,465	46,985	17,753	129,203
	<u>\$ 3,030,699</u>	<u>\$ 526,337</u>	<u>\$ 339,502</u>	<u>\$ 3,896,538</u>	<u>\$ 2,783,692</u>	<u>\$ 463,269</u>	<u>\$ 359,187</u>	<u>\$ 3,606,148</u>

See accompanying notes to financial statements

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
(db a The Nancy & David Wolf Holocaust and Humanity Center)

**Statements of Cash Flows**  
**Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 2,669,129	\$ 1,412,405
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	699,327	699,327
Realized and unrealized gains on investments	(1,155,762)	(451,594)
Contributions restricted for capital campaign and endowments	(1,223,284)	(1,298,266)
Non-cash lease expense	(7,964)	43,804
Changes in:		
Grants receivable and other assets	(301,016)	(182,548)
Accounts payable	(24,175)	81,075
Accrued expenses	<u>3,027</u>	<u>31,074</u>
Net cash provided by operating activities	<u>659,282</u>	<u>335,277</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments	(1,447,828)	(1,735,483)
Proceeds from sale of investments	258,608	200,341
Purchase of property and equipment	<u>(53,325)</u>	<u>(309,394)</u>
Net cash used in investing activities	<u>(1,242,545)</u>	<u>(1,844,536)</u>
<b>Cash Flows From Financing Activities</b>		
Collections of contributions restricted for capital campaign and endowments	<u>1,446,542</u>	<u>1,724,297</u>
<b>Net Change in Cash and Cash Equivalents</b>	863,279	215,038
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>1,384,159</u>	<u>1,169,121</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 2,247,438</u></u>	<u><u>\$ 1,384,159</u></u>

See accompanying notes to financial statements



**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**

**NOTE 1    NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Nature of Activities***

The Center for Holocaust and Humanity Education (dba The Nancy & David Wolf Holocaust and Humanity Center) (the Center) remembers, informs, and transforms, by educating current and future generations about the Holocaust, its victims, and its lessons. Dedicated to curriculum development, teacher training and innovative educational programs for all communities, religious and secular, local and worldwide, the Center fosters tolerance, inclusion, social justice, and civic responsibility based on lessons from the Holocaust. Originally the brainchild of an impassioned group of local Holocaust survivors and their families, The Nancy & David Wolf Holocaust and Humanity Center opened its doors in the year 2000.

Since then, the Center has worked fervently to educate and empower others to learn about and act against injustice, intolerance and indifference. It has evolved to develop and sustain lasting educational experiences for diverse groups and communities throughout Cincinnati and the world. The Center educates over 30,000 individuals reaching communities in Ohio, Indiana, and Kentucky. The initiatives of the Center include: a permanent exhibition, eight traveling exhibitions, an oral history program, a speaker's bureau, diversity workshops, teacher training, and a resource center.

***Financial Statement Presentation***

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The Center is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which are available for use in general operations and not subject to donor restrictions; and net assets with donor restrictions, which are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

***Fair Value Measurements***

GAAP has a three-level hierarchy for fair value measurements based on transparency of valuation inputs as of the measurement date. The hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows: Level 1 inputs are unadjusted quoted prices for identical assets in active markets; Level 2 inputs are observable quoted prices for similar assets in active markets; Level 3 inputs are unobservable and reflect management's best estimate of what market participants would use as fair value.

***Capital Campaign and Development***

During 2017, the Center embarked on a \$10,000,000 capital campaign to fund the construction and development of new exhibit space located in Union Terminal in Cincinnati, Ohio and to establish a donor-restricted endowment to assist in funding future operations. Unless specifically requested to fund the endowment, campaign pledges and payments were first applied to the construction of the new exhibit space and any remaining funds were transferred to a donor-restricted endowment at the conclusion of the project. The construction was substantially completed and the new museum space opened in 2019.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 1    NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

***Cash and Cash Equivalents***

The Center considers bank deposits and all highly liquid investments with original maturities of three months or less to be cash and cash equivalents. At June 30, 2024 and 2023, cash equivalents consisted primarily of money market accounts. The Center maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

***Investments and Investment Return***

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at the lower of cost or fair value. Investment return includes dividends, interest and realized and unrealized gains and losses on investments, net of investment expenses.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of activities as net assets without donor restrictions or with donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

***Property and Equipment***

Property and equipment is recorded at cost or, if donated, at the estimated fair value at the date of receipt. Depreciation is computed on a straight-line basis over an estimated useful life of the respective assets. The cost of maintenance and repairs is expensed as incurred while significant improvements are capitalized.

GAAP requires the Center to assess the recoverability of the carrying amount of property and equipment if certain events or changes occur, such as a significant decrease in market value of the assets or a significant change in operating conditions.

***Leases***

The Center determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and lease liabilities on the consolidated statement of financial position. Finance leases are included in property and equipment and lease liabilities in the consolidated statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Center will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 1    NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

***Leases (Continued)***

The Center's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Center considers factors such as if they have obtained substantially all of the rights to the underlying assets through exclusivity, if they can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

The Center has elected to apply the short-term lease practical exemption to all classes of underlying assets.

***Contributions***

Gifts of cash and other assets received without donor stipulations are reported as revenue without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts that are originally restricted by the donor and for which the restriction is met in the same period are recorded as donor restricted and then released from restriction.

Gifts of land, buildings, equipment, and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenues and net assets with donor restrictions. Absent explicit donor stipulations for the time period the long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restriction to net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and reported as contribution revenue. Conditional promises to give are recognized as revenues when the conditions on which they depend are substantially met.

***Grants***

Support funded by grants is recognized as the Center performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 1    NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

***Revenue Recognition***

The Center identifies a contract with a customer for revenue recognition when there is approval and commitment from both parties, the rights of the parties and payment terms are identified, the contract has commercial substance, and the collectability of consideration is probable. The Center evaluates each contract to determine the number of distinct performance obligations in the contract, which requires the use of judgment. To determine the proper revenue recognition method, the Center evaluates whether two or more contracts should be combined and accounted for as a single contract and whether the combined or single contract should be accounted for as a single or more than one performance obligation.

Revenue from customers is primarily recognized from admissions to the museum, workshops and training, which are included in other income on the statements of activities. Contracts for admission to the center consist of a single performance obligation to provide access to the attractions and other facilities. Revenue is recognized over the time of the admissions period using the time elapsed method. Admission contracts are for a single day pass. The transaction price is stated in the contract and known at the time of contract inception. The nature of the Center's business gives rise to variable considerations in the form of discounts that are applied to its performance obligation at contract inception. The payment for admission is required to be paid upfront and recorded on the date of admission redemption. Revenue from these purchases is recognized upon the satisfaction of the performance obligations, which is over the period of the admission contract.

***Collections***

Collections of works of art, historical treasures and similar assets are not capitalized in as much as the items are preserved and cared for continuously. Purchases of collection items are reported in the year of acquisition as decreases in net assets without donor restrictions, or in net assets with donor restrictions if the assets used to purchase the items were restricted to that use by donor stipulation. Contributions of collection items are not reported in the financial statements. Proceeds from disposal of and insurance recoveries related to collection items are reported as increases in the appropriate net asset classes.

***Income Taxes***

The Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of Ohio state law. However, the Center is subject to federal income tax on any unrelated business taxable income.

The Center's IRS Form 990 is subject to review and examination by federal and state authorities. The Center believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 1    NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

***Functional Allocation of Expenses***

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Certain costs have been allocated among the program, management and general and fundraising categories based on the specific identification and other methods. The most significant allocations are salaries and related expenses, which were allocated based upon time spent by Center personnel.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

***Effect of Recently Adopted Accounting Standards***

In June 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-13, *Financial Instruments-Credit Losses*, which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Center that are subject to the guidance of ASU 2016-13 were trade accounts receivable. The Center adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements.

***Subsequent Event Evaluation***

In preparing its financial statements, the Center has evaluated events subsequent to the statement of financial position date through November 6, 2024, which is the date the financial statements were available to be issued.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 2 LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, comprise of the following:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash and cash equivalents	\$ 2,247,438	\$ 1,384,159
Grants receivable and other assets	553,034	252,018
Capital campaign pledges receivable, net	215,145	438,403
Investments	<u>10,400,565</u>	<u>8,055,583</u>
Total financial assets	13,416,182	10,130,163
Less net assets with donor restrictions for capital campaign, endowments, and activities beyond one year	(11,635,710)	(8,593,986)
Add budgeted endowment draws	<u>274,100</u>	<u>260,610</u>
	<u><u>\$ 2,054,572</u></u>	<u><u>\$ 1,796,787</u></u>

For the purposes of analyzing resources available to meet general expenditures over a 12-month period, the Center considers all expenditures related to its ongoing activities. The Center regularly monitors liquidity required to meet its operating needs and other contractual commitments.

**NOTE 3 GRANTS RECEIVABLE**

Grants receivables as of June 30 consisted of the following:

	<u>2024</u>	<u>2023</u>
Due within one year	\$ 296,064	\$ 168,216
Due in one to five years	<u>100,000</u>	<u>-</u>
	<u><u>\$ 396,064</u></u>	<u><u>\$ 168,216</u></u>

Grants receivable are included in grants receivable and other assets in the statements of financial position. No allowance for uncollectible amounts or discount has been applied as of June 30, 2024 and 2023.

**NOTE 4 CAPITAL CAMPAIGN PLEDGES RECEIVABLE**

Capital campaign pledge receivables as of June 30, 2024 and 2023 are expected to be collected within one year. No allowance for uncollectable amounts or discount has been applied as of June 30, 2024 and 2023.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 5 INVESTMENTS AT FAIR VALUE**

Investments at fair value as of June 30 consisted of the following:

	<u>2024</u>	<u>2023</u>
<b>Level 3:</b>		
Interest in Jewish Federation of Cincinnati pooled investment fund	<u>\$ 10,400,565</u>	<u>\$ 8,055,583</u>

The Center holds its investments in the Jewish Federation Investment Fund ("Fund"), which was established to permit the combining of assets for investment and administrative purposes of the Center and other participating not-for-profit organizations. Net investment income of the Fund (representing interest and dividend income and net investment appreciation or depreciation) is allocated to the participating organizations based on their respective share of the Fund's assets. As the fair value of the fund is estimated using the Center's proportionate share of the underlying investments and the fund contains certain assets that do not have a readily determinable fair value, these investments are classified within Level 3 of the fair value hierarchy. There are no valuations using Level 1 or Level 2 inputs.

The following table is a reconciliation of all assets measured at fair value on a recurring basis using significant Level 3 unobservable inputs:

	<u>Interest in JFC pooled investment fund</u>
Balance as of June 30, 2022	\$ 6,068,847
Additions	1,735,483
Investment return, net	451,594
Withdrawals	<u>(200,341)</u>
Balance as of June 30, 2023	\$ 8,055,583
Additions	1,447,828
Investment return, net	1,155,762
Withdrawals	<u>(258,608)</u>
Balance as of June 30, 2024	<u>\$ 10,400,565</u>

At June 30, 2024 and 2023, the Center's investments represented 15.85% and 11.76% of the Fund's total market value, respectively. The Fund's investments at June 30, 2024 were allocated as follows: 73% in multi-asset class funds; 16% in global equities; 7% in fixed income; 3% in cash; and 1% in inflation linked bonds. The Fund's investments at June 30, 2023 were allocated as follows: 80% in multi-asset class funds; 12% in global equities; 6% in fixed income; and 2% in cash.

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 6 PROPERTY AND EQUIPMENT**

Property and equipment as of June 30 consisted of the following:

	<u>2024</u>	<u>2023</u>
Exhibits	\$ 5,024,528	\$ 5,024,528
Leasehold improvements	2,154,287	2,154,287
Computer and other equipment	287,607	287,617
Construction in Progress	266,666	213,332
Less accumulated depreciation	<u>(4,362,656)</u>	<u>(3,663,330)</u>
	<u>\$ 3,370,432</u>	<u>\$ 4,016,434</u>

**NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of June 30 consisted of the following:

	<u>2024</u>	<u>2023</u>
Restricted as to purpose:		
Vision fund - program expansion	\$ 1,575,000	\$ 625,000
Dimensions in testimony	350,000	350,000
Upstander programs	304,397	-
Capital campaign	215,145	438,402
Student field trips	125,036	150,000
Center for Story Telling	76,988	51,471
Philippines Project	24,136	24,136
Moniek's Legacy	12,960	12,960
Holocaust Awareness program	5,000	18,331
Educational programming	-	2,333
Restricted as to period of use:		
Jewish Federation allocation	20,000	20,000
Individual contributions	1,000	-
Donor-restricted endowment and restricted cash	<u>10,400,565</u>	<u>8,055,583</u>
	<u>\$ 13,110,227</u>	<u>\$ 9,748,216</u>

**NOTE 8 ENDOWMENTS**

The Center has established donor-restricted endowment funds associated with the capital campaign and Vision Fund. The capital campaign endowment was fully funded in 2022 as the construction projects were complete. Remaining funds from the capital campaign were transferred to the donor-restricted endowment fund to assist in funding future operations.



**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
**(dba The Nancy & David Wolf Holocaust and Humanity Center)**

**Notes to Financial Statements**  
**(Continued)**

**NOTE 8    ENDOWMENTS (CONTINUED)**

The Vision Fund will be used to fund programming supporting the Center's mission of using the lessons of the Holocaust to inspire action, such as youth and family programming, upstander programs and awareness building initiatives, museum enhancements, temporary exhibits, prominent speakers, and initiatives that drive visibility to advance the established core mission of the Center.

The Center has a formal investment and spending policy for its endowment funds and has implemented this policy now that the construction projects are complete and the endowment is fully funded.

***Investment Policy***

The endowment funds are to be held in a custodial account with the Jewish Federation of Cincinnati (JFC). It is the goal of the Center to have these long-term funds invested in a diversified portfolio, with significant consideration given to protecting the corpus of the funds while realizing earnings appropriate for the given risk level. To achieve this in an efficient manner the Center has elected to invest its endowment funds along with JFC's endowment funds, directly aligning the Center's investment strategy with JFC's.

***Spending Policy***

The Center's Board has approved a targeted spending policy of 4.0% of the value of the endowment fund per fiscal year, applied to a rolling 16-quarter weighted average of the market value of the asset pool. However, if the Board decides to override the spending policy, it must be done with a super-majority, which is defined as a seventy five percent (75%) majority of the Board of Trustees. While the policy provides for up to 4%, it is not mandatory that such funds are spent from the fund. Any funds approved for spending but not used in a fiscal year can carry forward to be used in the future in addition to future year's approved spending allowances.

***Endowment Net Asset Composition and Change in Endowment Net Assets***

The changes in endowment net assets were as follows:

	<u>With Donor Restrictions</u>
Balance as of June 30, 2022	\$ 6,068,847
Contributions	1,735,483
Investment return, net	451,594
Appropriated for expenditure	<u>(200,341)</u>
Balance as of June 30, 2023	8,055,583
Additions	1,447,828
Investment return, net	1,155,762
Appropriated for expenditure	<u>(258,608)</u>
Balance as of June 30, 2024	<u><u>\$ 10,400,565</u></u>

**THE CENTER FOR HOLOCAUST AND HUMANITY EDUCATION**  
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**Notes to Financial Statements**  
**(Continued)**

**NOTE 9 CONTRIBUTIONS OF NON-FINANCIAL ASSETS**

The Center recognized in-kind revenue of \$58,686 and \$80,254 for the value of services received from the Jewish Federation of Cincinnati Shared Business Services (SBS) in excess of amounts paid in 2024 and 2023, respectively. This amount was determined based on the market value of services provided and do not contain any donor-imposed restrictions.

**NOTE 10 LEASES**

Effective January 2019, the Center began leasing exhibit and office space at Union Terminal under a noncancelable lease with initial maturity in December 2023 and options to renew through December 2037. It was management's assumption that the first renewal option would be exercised based on the improvements made to the space at the inception of the lease. This assumption resulted in an initial term of ten years being utilized to calculate the lease liability. Total operating lease expense and operating cash flows for this lease for the year ended June 30, 2024 and 2023 was \$205,969 and \$237,434, respectively. As of June 30, 2024 and 2023, the operating lease liability had a remaining lease term of 66 and 54 months, respectively, and was calculated using a discount rate of 2.88%.

Future minimum lease payments at June 30, 2024 were:

2025	\$	189,476
2026		189,476
2027		189,476
2028		189,476
2029		91,989
		<hr/>
		849,893
Less discount applied		<hr/> (70,769)
		<hr/>
	\$	<u>779,124</u>

**NOTE 11 SIGNIFICANT CONCENTRATIONS**

GAAP requires disclosure of current vulnerabilities due to certain concentrations. One donor accounted for approximately 42% and 50% of total revenues and support for the year ended June 30, 2024 and 2023, respectively.

**NOTE 12 RISKS AND UNCERTAINTIES**

The Center's investments consist of common stocks, U.S Government and fixed income securities and mutual funds. Investment securities are exposed to various risks, such as credit, market and interest rate. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at June 30, 2024. However, the diversification of the Center's investments among various asset classes should mitigate the impact of any adverse changes on any one asset class. Investments are managed by the Board of Trustees with advice and assistance from investment professionals.