

A photograph of three business professionals in a modern office setting. A woman with curly hair is on the left, a man with grey hair is in the center, and a man with dark hair is on the right. They are seated on a white sofa with two large, red, curved armchairs in front of them. A black briefcase sits on the floor next to the man on the right. Large windows in the background show green trees outside. A white diagonal graphic element cuts across the image from the top left to the bottom right.

REPORT TO THE AUDIT COMMITTEE

JEWISH COMMUNITY SERVICES OF SOUTH FLORIDA, INC. AND AFFILIATE

2024 AUDIT RESULTS

DECEMBER 18, 2024



Welcome

December 18, 2024

The Audit Committee

Jewish community Services of South Florida, Inc.

We look forward to discussing with you the current year audit results for Jewish community Services of South Florida, Inc. We previously presented an overview of our plan for the audit of the consolidated financial statements of Jewish community Services of South Florida, Inc. (the “Organization”) as of and for the year ended June 30, 2024.

This communication is intended to elaborate on the significant findings from our audit, including our views on the qualitative aspects of the Organization’s accounting practices and policies, management’s judgments and estimates, financial statement disclosures, and other required matters to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process for which management of the Organization is responsible.

We are pleased to be of service to the Organization and look forward to meeting with you to discuss our audit findings, as well as other matters that may be of interest to you, and to answer any questions you might have.

Respectfully,

BDO USA, P.C.

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The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors) and, if appropriate, management of the Organization, and is not intended and should not be used by anyone other than these specified parties.

Executive Summary



Executive Summary

Results of Our Audit

- Overview and Status - We have substantially completed our audit work with respect to the consolidated financial statements for the year ended June 30, 2024.
- Quality of the Organization's Financial Reporting
- Significant Risk Overview & Discussion
- Corrected and Uncorrected Misstatements
- Internal Control Over Financial Reporting

Required Communications

Open Discussion and Questions

Year End Inquiries of Those Charged With Governance (see page 24)



Required Communications Dashboard

Professional standards require that we communicate the following matters to those charged with governance. We have indicated in the table below where these communications are included within this report or in previous communications, as well as which matters warrant discussion during this meeting.

Topic	Matters to Discuss	Ref.	Topic	Matters to Discuss	Ref.
Independence	NO	Page 23	Uncorrected and Corrected Misstatements	NO	Page 11
Overall Strategy, Timing of the Audit, & Significant Risks	NO	Audit Plan	Difficult or Contentious Matters for Which We Consulted Outside the Engagement Team	NO	Page 22
Significant Changes to the Overall Audit Strategy, Significant Risks, or Planned Use of Others	NO	Page 8	Consultation with Other Accountants	NO	Page 21
Use of Internal Audit	NO	N/A	Disagreements with Management	NO	Page 22
Use of Other Auditors and Persons Not Employed by BDO USA, P.C.	NO	N/A	Difficulties Encountered in Performing the Audit	NO	Page 22
Information from Those Charged with Governance	NO	Page 25	Other Matters	NO	Pages 20-22
Significant Accounting Practices, Policies, Estimates & Disclosures	NO	Page 18	Related Parties	NO	Page 21
Significant Unusual Transactions	NO	Page 20	Internal Control Matters	NO	Page 12
Quality of Financial Reporting	NO	Page 9			
New Accounting Pronouncements Not Yet Effective	NO	N/A			
Alternative Accounting Treatment	NO	Page 20			

Audit Results



Overview & Status of Our Audit

We have substantially completed our audit of the consolidated financial statements as of and for the year ended June 30, 2024. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America. This audit of the consolidated financial statements does not relieve management or those charged with governance of their responsibilities.

- ▶ The objective of our audit was to obtain reasonable - not absolute - assurance about whether the consolidated financial statements are free from material misstatements.
- ▶ The scope of the work performed was substantially the same as that described to you in our earlier Audit Plan communications.
- ▶ We expect to issue an unmodified opinion on the consolidated financial statements and release our report on December 18, 2024.
- ▶ We expect to issue an unmodified opinion on the Organization's Single Audit report and program specific reports, including the Schedule of Expenditures of Federal Awards (SEFA), the Schedule of Expenditures for the Children's Trust Contracts and the Schedule of Revenues and Expenses related to grants from the Conference on Jewish Material Claims against Germany, Inc.
- ▶ In planning and performing our audit of the SEFA, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on its major federal program(s) to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with GAS and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.
- ▶ Our responsibility for other information in documents containing the Organization's audited consolidated financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with professional standards, we have read the information included by the Organization and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the consolidated financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. We have not identified any material inconsistencies or concluded there are any material misstatements of facts in the other information that management has chosen not to correct.
- ▶ All records and information requested by BDO were freely available for our inspection.



Quality of the Organization's Financial Reporting

A discussion was held regarding the quality of the Organization's financial reporting, which included the following:

- ▶ Qualitative aspects of significant accounting policies and practices
- ▶ Our assessment of critical accounting estimates, accounting policies and practices
- ▶ Significant unusual transactions
- ▶ Financial statement presentation
- ▶ New accounting pronouncements
- ▶ Alternative accounting treatments



Areas of Significant Risk

Our areas of significant risk, which are risks with both a higher likelihood of occurrence and a higher magnitude of effect that require special audit considerations, are as follows. Our audit procedures for these risks are detailed starting on page 15.

Revenue recognition

Corrected and Uncorrected Misstatements

CORRECTED AND UNCORRECTED MISSTATEMENTS

- ▶ There were no corrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we brought to the attention of management.
- ▶ There were no uncorrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we presented to management.

Internal Control Over Financial Reporting



Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

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

We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the Organization’s internal control over financial reporting. The definitions of control deficiency, significant deficiency and material weakness follow:

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

In conjunction with our audit of the financial statements, we noted no material weaknesses.

Internal Control Over Compliance Findings

In performing our compliance audit in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance), we obtained an understanding of the Organization's internal control over compliance to design audit procedures and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, we did not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

We are required to communicate, in writing and in a timely manner, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the Organization's internal control over compliance. The definitions of a material weakness, significant deficiency, and control deficiency in internal control over compliance are as follows:

Category	Definition
Material Weakness	A deficiency or a combination of deficiencies in internal control over financial reporting or internal control over compliance, such that there is a reasonable possibility that a material misstatement of the financial statements or a material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.
Significant Deficiency	A deficiency or a combination of deficiencies in internal control over financial reporting or internal control over compliance that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Control Deficiency	A deficiency in internal control over financial reporting or internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct financial statement misstatements or noncompliance with a type of compliance requirement of a federal program on a timely basis.
Instances of Noncompliance with Laws and Regulations	In accordance with GAS, matters that involve instances of noncompliance with laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

Detail of Significant Risks & Additional Audit Considerations



Revenue Recognition

SUMMARY OF AREA OF SIGNIFICANT RISK

The Organization derives its principal revenue and support from the Conference on Jewish Material Claims Against Germany, Inc. (Claims Conference), The Children's Trust (TCT), government grants, contracts and allocations from the Greater Miami Jewish Federation, Inc. (GMJF), which also includes allocations from the United Way of Miami-Dade, Inc. (United Way), and program services.

The Organization evaluates all required disclosures for revenue recognition and determines that they are appropriately included in the consolidated financial statements.

SUMMARY OF AUDIT PROCEDURES

To address this significant risk, we performed the following procedures:

- We updated our understanding of the revenue recognition process, performed a walkthrough of the revenue business process and evaluated the design of controls in this area.
- Our substantive audit procedures included reading the contractual language of each contract related to Claims Conference, TCT, Government Grants received, and United Way. Additionally, we selected an extensive sample of revenue transactions involved in each of these contracts, and reconciled revenue recorded to various supporting documentation.

Moreover, we tested transactions around the period-end to confirm that revenue is recognized in the appropriate period.

Furthermore, we performed trend analysis and comparisons to prior periods and budgeted figures to identify any unusual patterns or variances in revenue.

Detail of Significant Accounting Practices, Policies, Estimates and Disclosures



Significant Accounting Practices (including Policies, Estimates and Disclosures)

ACCOUNTING PRACTICES, POLICIES, ESTIMATES, AND DISCLOSURES

The following summarizes the more significant required communications related to our audit concerning the Organization's accounting practices, policies, and :

The Organization's significant accounting practices and policies are those included in Note 2 to the consolidated financial statements. These accounting practices and policies are appropriate, comply with the applicable financial reporting framework and industry practice, were consistently applied, and are adequately described within Note 2 to the consolidated financial statements.

- ▶ A summary of recently issued accounting pronouncements is included in Note 2 to the Organization's financial statements.
- ▶ The Organization adopted FASB Accounting Standard Update 2016-13, *Measurement of Credit Losses on Financial Instruments*, during the audit period. Management have implemented the new accounting standard in accordance with the transition guidance prescribed in the ASU. Management has sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements.
- ▶ There were no other changes in significant accounting policies and practices during the year ended June 20, 2024
- ▶ Critical accounting estimates are those that require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Organization's critical accounting estimates, including a description of management's processes and significant assumptions used in development of the estimates, are disclosed in Note 2 of the consolidated financial statements.

Critical Accounting Estimates

Allowances on accounts/contributions receivable

Valuation of investments

Allocation of functional expense

Classification of net assets

- ▶ Management did not make any significant changes to the processes or significant assumptions used to develop the critical accounting estimates during the year ended June 30, 2024.

Additional Required Communications



Other Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to the Organization:

Requirement	Discussion Point
Significant changes to planned audit strategy or significant risks initially identified	There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of our Audit Plan communications.
Obtain information from those charged with governance relevant to the audit	There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risk of material misstatements, including fraud risks; or tips or complaints regarding the Organization's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.
Alternative accounting treatment	No alternative accounting treatments permissible under the applicable financial reporting framework for policies and practices related to material items were identified and discussed with management.
Significant unusual transactions	During the year ended June 30, 2024, we were not aware of any significant unusual transactions.

Other Required Communications (cont.)

Following is a summary of other required items, along with specific discussion points as they pertain to the Organization:

Requirement	Discussion Point
Consultations with other accountants	We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of requirements of an applicable financial reporting framework.
Significant findings and issues arising during the audit in connection with the Organization's related parties	We have evaluated whether the identified related party relationships and transactions have been appropriately identified, accounted for, and disclosed and whether the effects of the related party relationships and transactions, based on the audit evidence obtained, prevent the financial statements from achieving fair presentation.
Significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management	There were no significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management.
Instances of Noncompliance with Laws and Regulations	In accordance with GAS, no matters that involve instances of noncompliance with laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements have been identified.
Representations requested from management	Please refer to the management representation letter or that will be provided upon receipt.

Other Required Communications (cont.)

Following is a summary of other required items, along with specific discussion points as they pertain to the Organization:

Requirement	Discussion Point
Disagreements with management	There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the Organization's financial statements or to our auditor's report.
Significant difficulties encountered during the audit	There were no significant difficulties encountered during the audit.
Matters that are difficult or contentious for which the auditor consulted outside the engagement team	There were no difficult or contentious matters that we consulted with others outside the engagement team that we reasonably determined to be relevant to those charged with governance regarding their oversight of the financial reporting process.

Independence

Our engagement letter to you dated July 22, 2024 describes our responsibilities in accordance with professional standards and certain regulatory authorities and Government Auditing Standards regarding independence and the performance of our services. This letter also stipulates the responsibilities of the Organization with respect to independence as agreed to by the Organization. Please refer to that letter for further information.



Year-end Inquiries of Those Charged with Governance



Obtaining Information from Those Charged with Governance

As we complete our audit procedures, we perform final inquiries related to fraud and other matters to help inform any changes to our audit strategy and execution of our audit procedures. As part of the upcoming meeting with you, we would like to discuss the following topics with you to understand any matters of which you believe we should be aware since we last performed similar inquiries, including, but not limited to:

- ▶ Your views about the risk of material misstatements due to fraud, including the risk of management override of controls
- ▶ How you exercise oversight over the Organization's assessment of fraud risks and the establishment of controls to address these risks
- ▶ Your awareness of any actual, alleged or suspected fraud or illegal acts affecting the Organization
- ▶ Your awareness of tips or complaints regarding the Organization's financial reporting and your response to such tips and complaints
- ▶ Your awareness of other matters relevant to the audit including, but not limited to, violations or possible violations of laws or regulations
- ▶ Your awareness of noncompliance with laws and regulations to include consideration of noncompliance with provisions of contracts and grant agreements.
- ▶ Your awareness of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.
- ▶ Your awareness of any significant communications between the Organization and regulators
- ▶ Your understanding of the Organization's relationships and transactions with related parties that are significant to the Organization
- ▶ Any business relationships between a BDO firm and the Organization or its affiliates
- ▶ Whether the Organization has entered into any significant unusual transactions
- ▶ Your awareness of any other information that is important to the identification and assessment of risks of material misstatement

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