

COMBINED FINANCIAL STATEMENTS

NEW ISRAEL FUND

SIGNING ANEW

**FOR THE YEAR ENDED DECEMBER 31, 2008
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2007**

**NEW ISRAEL FUND
SIGNING ANEW**

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GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
New Israel Fund
Signing Anew
Washington, D.C.

We have audited the accompanying combined statement of financial position of the New Israel Fund (NIF) and Signing Anew as of December 31, 2008, and the related combined statements of activities and change in net assets and cash flows for the year then ended. These combined financial statements are the responsibility of NIF and Signing Anew's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the New Israel Fund-Israel office, located in Jerusalem, Israel, which reflect total assets of \$3,881,619, total revenue of \$2,469,507 and total expenses of \$2,985,396, and Signing Anew, an affiliate, which statements reflect total assets of \$1,356,616, total revenue of \$254,372 and total expenses of \$228,371. Those statements were audited by other auditors, whose reports dated March 30, 2009, expressed an unqualified opinion. To the extent that it relates to the amounts included for the foreign programs, our opinion is based solely on the report of other auditors. The prior year summarized comparative information has been derived from the 2007 combined financial statements and, in our report dated August 27, 2008, we expressed an unqualified opinion on those statements.

We conducted our audit 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of NIF and Signing Anew as of December 31, 2008, and their combined change in net assets and their combined cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Gelman Rosenberg & Freedman

June 19, 2009

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**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2008
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2007**

ASSETS

| | 2008 | 2007 |
|---|----------------------|----------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 10,756,262 | \$ 13,151,032 |
| Investments (Notes 2 and 11) | 13,909,467 | 18,500,621 |
| Prepaid expenses | 8,064 | 89,246 |
| Pledges receivable, current portion, net of allowance for doubtful account of \$117,430 and \$66,471 respectively (Note 3) | 7,967,888 | 2,761,100 |
| Advances | - | 5,261 |
| Accounts receivable | 188,319 | 267,430 |
| Intercompany/affiliate receivable | 31,864 | - |
| Inventory | 1,490 | 1,490 |
| Total current assets | 32,863,354 | 34,776,180 |
| FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS | | |
| Furniture and equipment | 1,771,781 | 1,662,599 |
| Leasehold improvements | 157,193 | 157,193 |
| | 1,928,974 | 1,819,792 |
| Less: Accumulated depreciation and amortization | (1,415,402) | (1,280,870) |
| Net furniture, equipment and leasehold improvements | 513,572 | 538,922 |
| OTHER ASSETS | | |
| Pledges receivable, net of current portion (Note 3) | 331,820 | 826,213 |
| Deposits | 9,795 | 6,995 |
| Assets held in charitable trust (Notes 4 and 11) | 96,782 | 96,282 |
| Total other assets | 438,397 | 929,490 |
| TOTAL ASSETS | \$ 33,815,323 | \$ 36,244,592 |

See accompanying notes to combined financial statements.

LIABILITIES AND NET ASSETS

| | <u>2008</u> | <u>2007</u> |
|---|-----------------------------|-----------------------------|
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 1,820,653 | \$ 1,840,719 |
| Grants payable | 8,558,798 | 7,402,157 |
| Liabilities under split interest agreements, current portion (Note 4) | <u>60,460</u> | <u>49,222</u> |
| | | |
| Total current liabilities | <u>10,439,911</u> | <u>9,292,098</u> |
| LONG-TERM LIABILITIES | | |
| Deferred rent abatement (Note 5) | 79,288 | 104,072 |
| Liabilities under split interest agreements (Note 4) | <u>385,993</u> | <u>320,047</u> |
| | | |
| Total long-term liabilities | <u>465,281</u> | <u>424,119</u> |
| | | |
| Total liabilities | <u>10,905,192</u> | <u>9,716,217</u> |
| NET ASSETS | | |
| Unrestricted (Note 6) | 3,780,078 | 3,535,533 |
| Temporarily restricted (Note 7) | 17,200,666 | 16,267,875 |
| Permanently restricted (Note 8) | <u>1,929,387</u> | <u>6,724,967</u> |
| | | |
| Total net assets | <u>22,910,131</u> | <u>26,528,375</u> |
| | | |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 33,815,323</u> | <u>\$ 36,244,592</u> |

See accompanying notes to combined financial statements.

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2007**

| | 2008 | | | 2007 | |
|---|----------------------------|-----------------------------|----------------------------|-----------------------------|-----------------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total | Total |
| REVENUE | | | | | |
| Contributions: | | | | | |
| General support | \$ 14,722,580 | \$ 9,723,831 | \$ 50,000 | \$ 24,496,411 | \$ 19,478,102 |
| Donor-advised | 9,987,597 | - | - | 9,987,597 | 10,556,819 |
| Investment income (loss) (Note 2) | (456,583) | (2,378,435) | - | (2,835,018) | 1,409,930 |
| Program revenue | 156,965 | - | - | 156,965 | 144,553 |
| In-kind contributions (Note 10) | 63,025 | - | - | 63,025 | 54,088 |
| Other revenue | 295,502 | - | - | 295,502 | 106,110 |
| Net assets released from donor restrictions (Note 7) | <u>7,549,285</u> | <u>(7,549,285)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total revenue | <u>32,318,371</u> | <u>(203,889)</u> | <u>50,000</u> | <u>32,164,482</u> | <u>31,749,602</u> |
| EXPENSES | | | | | |
| Program Services: | | | | | |
| Grants and Projects: | | | | | |
| Grants to Israel Not-For-Profit Organizations | 20,176,422 | - | - | 20,176,422 | 16,493,251 |
| Grants to New Israel Fund Projects | <u>7,900,568</u> | <u>-</u> | <u>-</u> | <u>7,900,568</u> | <u>8,077,382</u> |
| Total grants and projects | 28,076,990 | - | - | 28,076,990 | 24,570,633 |
| Grant Management | 1,730,174 | - | - | 1,730,174 | 987,043 |
| Educational Activities | <u>1,905,583</u> | <u>-</u> | <u>-</u> | <u>1,905,583</u> | <u>2,206,081</u> |
| Total program services | <u>31,712,747</u> | <u>-</u> | <u>-</u> | <u>31,712,747</u> | <u>27,763,757</u> |
| Supporting Services: | | | | | |
| Management and General | 1,839,739 | - | - | 1,839,739 | 1,776,949 |
| Fundraising | <u>2,230,240</u> | <u>-</u> | <u>-</u> | <u>2,230,240</u> | <u>2,557,431</u> |
| Total supporting services | <u>4,069,979</u> | <u>-</u> | <u>-</u> | <u>4,069,979</u> | <u>4,334,380</u> |
| Total expenses | <u>35,782,726</u> | <u>-</u> | <u>-</u> | <u>35,782,726</u> | <u>32,098,137</u> |
| Change in net assets before other item | (3,464,355) | (203,889) | 50,000 | (3,618,244) | (348,535) |
| OTHER ITEM | | | | | |
| Transfer of assets (Note 8) | <u>3,708,900</u> | <u>1,136,680</u> | <u>(4,845,580)</u> | <u>-</u> | <u>-</u> |
| Change in net assets | 244,545 | 932,791 | (4,795,580) | (3,618,244) | (348,535) |
| Net assets at beginning of year | <u>3,535,533</u> | <u>16,267,875</u> | <u>6,724,967</u> | <u>26,528,375</u> | <u>26,876,910</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 3,780,078</u> | <u>\$ 17,200,666</u> | <u>\$ 1,929,387</u> | <u>\$ 22,910,131</u> | <u>\$ 26,528,375</u> |

See accompanying notes to combined financial statements.

**NEW ISRAEL FUND
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**COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2007**

| | <u>2008</u> | <u>2007</u> |
|--|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ (3,618,244) | \$ (348,535) |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: | | |
| Depreciation and amortization | 164,349 | 178,386 |
| Unrealized loss on investments | 3,125,966 | 358,550 |
| Realized gain on investments | (85,180) | (721,780) |
| Donated stock | - | (3,013) |
| (Gain) loss on disposal of equipment | 64 | (1,297) |
| Loss from sale of equipment | 8,171 | 25,626 |
| Bad debt expense | - | (66,343) |
| Contributions restricted for long term investments | (50,000) | (432,596) |
| (Increase) decrease in: | | |
| Prepaid expenses | 81,182 | 3,779 |
| Pledges receivable | (4,712,395) | - |
| Advances | 5,261 | 11,800 |
| Accounts receivable | 79,111 | (32,946) |
| Affiliate receivable | (31,864) | - |
| Deposits | (2,800) | - |
| Assets held in charitable trust | (500) | 794 |
| Increase (decrease) in: | | |
| Accounts payable and accrued liabilities | (20,065) | 434,795 |
| Grants payable | 1,156,641 | 1,542,806 |
| Deferred rent abatement | (24,784) | (18,359) |
| Liabilities under split interest agreements | <u>77,184</u> | <u>220,501</u> |
| Net cash provided (used) by operating activities | <u>(3,847,903)</u> | <u>1,152,167</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of furniture and equipment | (147,237) | (199,033) |
| Net proceeds (purchases) of investments | <u>1,550,370</u> | <u>1,942,108</u> |
| Net cash provided by investing activities | <u>1,403,133</u> | <u>1,743,075</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Contributions restricted for long-term investments | <u>50,000</u> | <u>432,596</u> |
| Net cash provided by financing activities | <u>50,000</u> | <u>432,596</u> |

See accompanying notes to combined financial statements.

**NEW ISRAEL FUND
SIGNING ANEW****COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2007**

| | <u>2008</u> | <u>2007</u> |
|--|-----------------------------|-----------------------------|
| Net increase (decrease) in cash and cash equivalents | \$ (2,394,770) | \$ 3,327,838 |
| Cash and cash equivalents at beginning of year | <u>13,151,032</u> | <u>9,823,194</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>\$ 10,756,262</u> | <u>\$ 13,151,032</u> |

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The New Israel Fund (NIF) is a publicly-supported not-for-profit organization whose purpose is to provide grants and technical assistance to organizations in Israel that are dedicated to strengthening democracy and achieving positive social change in Israel and to provide public education in North America and Israel in support of these goals.

NIF has established an office in Israel. Included in the accompanying financial statements are the amounts from financial statements for NIF - Israel office that were audited by other auditors whose reports have been furnished to us. At December 31, 2008, the audited financial statements of NIF - Israel office have been combined with the accounts of NIF. All significant intercompany transactions have been eliminated.

Signing Anew, an affiliate, is a public institution whose goals include the creation of an educational and ethical value change in the State of Israel, assistance to recognized educational bodies to further their work, and to reduce the educational gaps in Israeli society. NIF and Signing Anew have related Board members and staff such that NIF has oversight of Signing Anew. At December 31, 2008, the audited financial statements of Signing Anew that were audited by other auditors have been combined with the accounts of NIF. All significant intercompany transactions have been eliminated.

Basis of presentation -

The accompanying financial statements have been prepared on a combining basis for the year ended December 31, 2008, and include the assets, liabilities, net assets, support, revenue, gains, expenses and losses of NIF - U.S. office, NIF - Israel office, and Signing Anew. All intercompany transactions have been eliminated during combination.

The Organizations' combined financial statements have been prepared using the accrual basis of accounting. As such, revenue is recognized when earned and expenses when incurred.

The combined financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organizations' financial statements for the year ended December 31, 2007, from which the summarized information was derived.

Cash and cash equivalents -

Cash and cash equivalents include cash on hand and other highly liquid instruments with maturities of less than three months.

At times during the year, NIF maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. NIF has an agreement with the financial institutions whereby excess cash deposits are reinvested in a repurchase agreement of government securities on an overnight basis. Management believes the risk in these situations to be minimal.

**NEW ISRAEL FUND
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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Foreign operations -

The combined financial statements include NIF - Israel office and Signing Anew. The accounting records are maintained in the functional currency of the foreign country, which is the Israeli Shekel. Cash held in foreign country is uninsured.

Assets and liabilities denominated in the functional currency are converted into U.S. dollars at year-end exchange rates, and revenue and expense accounts are translated at the average rates in effect during the year. Exchange gains and losses are reported in the Combined Statement of Activities and Change in Net Assets.

Grant expenses -

Grants are recorded as expenses and liabilities at the time the Board approves the specific grant.

Furniture, equipment and leasehold improvements -

Furniture and equipment costing in excess of \$1,000 are capitalized and depreciated over the life of the asset ranging from three to seven years. Leasehold improvements are capitalized and amortized over the life of the lease.

Pledges receivable -

Outstanding pledges at December 31, 2008 are for the general support of the organization and for donor-advised gifts. Management has established an allowance for doubtful accounts in the amount of \$117,430 at December 31, 2008.

Accounts receivable -

Accounts receivable are stated at their net realizable value. Management considers all accounts to be collectible.

Inventory -

Inventory, consisting of books, videotapes, brochures and other resource materials held for resale, is stated at the lower of cost or net realized value. Cost is determined on the first-in, first-out basis.

Investments -

Investments are presented in the combined financial statements at their fair market value. Interest and dividend income is recorded as revenue when earned. Realized and unrealized gains and losses from investments are included in investment income (loss) which are reflected in the Combined Statement of Activities and Change in Net Assets.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Organizations and include designated and Board designated funds.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Organizations and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combined Statement of Activities and Change in Net Assets as net assets released from restrictions.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in-perpetuity by the Organizations.

Income taxes -

NIF is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. NIF is not a private foundation.

Signing Anew is registered as an Amuta (Association) under the provisions of the Law of Amutot (Association). The Amuta is classified as a public institution pursuant to Section 9(2) of the Income Tax Ordinance. In February 1999 the Amuta received status from the Israel Income Tax Authorities, under Article 46(A), such that contributions made to it entitle the contributor to certain tax credits as determined by law.

Contributions -

Contributions are recorded as revenue in the year notification is received from the donor. Contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying combined financial statements. Contributions with donor-imposed restrictions that are met in the same accounting period are reported as unrestricted net assets.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Combined Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Use of estimates -

The preparation of the combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Reclassification -

Certain amounts in the prior year's combined financial statements have been reclassified to conform to the current year's presentation.

Risks and uncertainties -

The Organizations invest in various investment securities. Investment securities are exposed to various risks such as interest rates, market, foreign exchange, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Fair value measurements -

The Organizations adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 157, entitled *Fair Value Measurements*. SFAS No. 157 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Organizations account for a significant portion of their financial instruments at fair value or consider fair value in their measurement.

2. INVESTMENTS

The investments are recorded at market value. Investments at December 31, 2008 are as follows:

| | |
|--------------------|-----------------------------|
| Money market funds | \$ 5,519,902 |
| Mutual funds | 6,367,956 |
| Securities | 1,646,426 |
| Government bonds | <u>375,183</u> |
| | <u>\$ 13,909,467</u> |

**NEW ISRAEL FUND
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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

2. INVESTMENTS (Continued)

Investment income (loss) for the year ended December 31, 2008 consists of the following:

| | |
|---------------------------------------|------------------------------|
| Unrealized loss | \$ (3,125,966) |
| Realized gain | 85,180 |
| Interest and dividends | <u>205,768</u> |
| TOTAL INVESTMENT INCOME (LOSS) | <u>\$ (2,835,018)</u> |

3. PLEDGES RECEIVABLE

Pledges receivable are stated at their net realizable value. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the donor. Pledges receivable at December 31, 2008 are comprised of the following:

| | |
|--------------------------------------|----------------------------|
| General support | \$ 2,555,234 |
| Donor-advised and special projects | <u>5,861,904</u> |
| | 8,417,138 |
| Less allowance for doubtful accounts | <u>(117,430)</u> |
| | <u>\$ 8,299,708</u> |

Pledges that are long-term have been discounted using an interest rate of 6%. Following is a summary of maturities of pledges receivable at December 31, 2008:

Year Ended December 31,

| | |
|------|----------------------------|
| 2009 | \$ 7,967,888 |
| 2010 | 238,371 |
| 2011 | 48,505 |
| 2012 | <u>44,944</u> |
| | <u>\$ 8,299,708</u> |

4. SPLIT INTEREST AGREEMENTS

NIF's split interest agreements with donors consist of Charitable Gift Annuities and a Charitable Remainder Trust.

Charitable Gift Annuities are unrestricted irrevocable gifts under which NIF agrees in turn to pay a life annuity to the donor or designated beneficiary. The contributed funds and the corresponding liabilities immediately become part of the general assets and liabilities of NIF, subject to NIF's maintaining an actuarial reserve in accordance with state law. Contribution revenue for charitable gift annuities is recognized at the date the agreement is established, net of the liability recorded for the present value of the estimated future payments to be made to the respective donors and/or beneficiaries.

**NEW ISRAEL FUND
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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

4. SPLIT INTEREST AGREEMENTS (Continued)

The present value of payments to beneficiaries of charitable gift annuities are calculated using discount rates which represent the risk-free rates in existence at the date of the gift. Gains or losses resulting from changes in actuarial assumptions and accretions of the the discount are recorded as increases or decreases in the respective net asset class in the Combined Statement of Activities and Change in Net Assets. For the year ended December 31, 2008, the fair market value of the gift annuities totaled \$883,084 and the present value of the annuities totaled \$434,768, of which \$48,775 and \$385,993 is recorded as a current liability and long-term liability, respectively.

The Charitable Remainder Trust consists of time restricted contributions not available to NIF until after the death of the donor, who, while living, receives an annual payout from the Trust based on a fixed percentage of the market value of the invested funds. Under the terms of the trust, NIF is required to pay an annual annuity of \$6,300 to the income beneficiaries for their lives. For the year ended December 31, 2008, the asset held in trust was \$96,782 and the liability based on the trust agreement was \$11,685, which was recorded as a current liability.

5. LEASE COMMITMENTS

NIF entered into an office lease in Washington, D.C., commencing March 20, 2000 and expiring March 31, 2011. The lease agreement specified that annual rent will be \$264,137 per year with an annual adjustment agreed upon by both parties and stipulated in the lease agreement.

NIF entered into an office lease in New York, New York, commencing on February 1, 2004 and expiring January 31, 2015. The lease agreement specified that annual rent will be \$62,400 per year with an annual adjustment agreed upon by both parties and stipulated in the lease agreement.

NIF entered into an office lease in San Francisco, California, commencing on April 1, 2006 and expiring March 31, 2009. The lease agreement specified that annual rent will be \$1,939 per month.

NIF entered into several office leases in Israel expiring 2010 and 2011.

Future minimum lease payments are as follows:

Year Ended December 31,

| | |
|------------|----------------------------|
| 2009 | \$ 636,041 |
| 2010 | 624,168 |
| 2011 | 193,014 |
| 2012 | 81,628 |
| 2013 | 93,669 |
| Thereafter | <u>28,587</u> |
| | <u>\$ 1,657,107</u> |

Rent expense for office space, including escalation and maintenance charges, was \$530,041 in 2008. NIF entered into several sublease agreements.

**NEW ISRAEL FUND
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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

5. LEASE COMMITMENTS (Continued)

The future minimum sublease payments to be received are as follows:

Year Ended December 31,

| | |
|------|--------------------------|
| 2009 | \$ 132,890 |
| 2010 | 135,032 |
| 2011 | <u>33,892</u> |
| | <u>\$ 301,814</u> |

6. BOARD DESIGNATED NET ASSETS

Included in unrestricted net assets at December 31, 2008 are Board designated net assets in the amount of \$2,870,613. They are designated for the following purposes:

| | |
|--------------------|----------------------------|
| General Programs | \$ 2,000,000 |
| Shatil Program | 580,613 |
| 25th Anniversary | 140,000 |
| Peter Edelman Fund | <u>150,000</u> |
| | <u>\$ 2,870,613</u> |

7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2008:

| | |
|--------------------------------------|-----------------------------|
| Programs and projects - NIF-U.S. | \$ 13,403,413 |
| Programs and projects - NIF-Israel | 2,695,401 |
| Programs and projects - Signing Anew | <u>1,101,852</u> |
| | <u>\$ 17,200,666</u> |

The following temporarily restricted net assets were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors:

| | |
|---|----------------------------|
| Programs and projects | \$ 7,365,984 |
| Restricted contributions - Signing Anew | <u>183,301</u> |
| | <u>\$ 7,549,285</u> |

8. ENDOWMENT

NIF's endowment consists of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

8. ENDOWMENT (Continued)

As a result of this interpretation, NIF classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, NIF considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the organization.

At December 31, 2008, permanently restricted endowment funds that are required to be retained permanently either by explicit donor stipulation or by SPMIFA and the income from which is expendable to support the following:

Grants and Projects **\$ 1,929,387**

Changes in endowment net assets for the year ended December 31, 2008:

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|---|----------------------------|-------------------------------|-------------------------------|----------------------------|
| Endowment net assets, beginning of year | \$ - | \$ 2,025,173 | \$ 6,724,967 | \$ 8,750,140 |
| Investment income: | | | | |
| Investment income | - | (2,014,708) | - | (2,014,708) |
| Contributions | - | - | 50,000 | 50,000 |
| Appropriation of endowment assets for expenditure | - | (45,229) | - | (45,229) |
| Other changes: | | | | |
| Transfer of funds | <u>(149,175)</u> | <u>60,303</u> | <u>(4,845,580)</u> | <u>(4,934,452)</u> |
| ENDOWMENT NET ASSETS, END OF YEAR | <u>\$ (149,175)</u> | <u>\$ 25,539</u> | <u>\$ 1,929,387</u> | <u>\$ 1,805,751</u> |

Transfer of funds includes amounts for SHATIL and ACRI which are no longer permanently restricted. Amounts were transferred to Board designated and temporarily restricted net assets.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

8. ENDOWMENT (Continued)

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the organization to retain as fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were \$149,175 as of December 31, 2008. These deficiencies resulted from unfavorable market fluctuations occurred after the investment of permanently restricted contributions and continued appropriations for certain programs that were deemed prudent by the Board of Directors.

Return Objectives and Risk Parameters -

NIF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in-perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. NIF expects its endowment funds, over time, to provide an average rate of return of approximately 5% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives -

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

Spending Policy and How the Investment Objectives Relate to Spending Policy -

The Board of Directors authorizes the appropriations of spending during the Board approval of the budget. NIF considers the long-term expected return on its endowment. Accordingly, over the long-term, NIF expects the current spending policy to allow its endowment to grow annually. This is consistent with NIF's objective to maintain the purchasing power of the endowment assets held in-perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

9. PENSION PLAN

NIF-US has a company-paid 401(a) money purchase plan. After a two-year vesting period, employees accrue five percent of their salary that is tax free until withdrawn. The actual percentage can be changed, based on the financial results each year, and is approved by the Board of Directors. Pension expense for the year ended December 31, 2008 was \$81,095.

NIF-Israel has recorded a liability reflecting the difference between the total obligation for severance pay less the amounts that have been deposited in pension and provident funds and management insurance policies.

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

9. PENSION PLAN (Continued)

The designated funds reflect amounts deposited in a central severance pay fund. The balance presented in NIF-Israel balance sheet is the difference between the liability and the amounts deposited in the central severance pay fund, and reflects the amount NIF-Israel needs to cover from its own sources for severance pay.

NIF-Israel has an accrued severance liability of \$217,244 payable to the director in Israel upon termination of employment.

10. IN-KIND CONTRIBUTIONS

In-kind contributions consist of tuition fellowships of the Washington College of Law at the American University as part of the Israel-U.S. Civil Liberties Law Program.

11. FAIR VALUE MEASUREMENTS

In accordance with Statement of Financial Accounting Standards (SFAS) No. 157, the Organizations have categorized their financial instruments based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Combined Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organizations have the ability to access.

Level 2. These are investments where 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 investments.

Level 3. These are investments where 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 assumptions of management about assumptions market participants would use in pricing the investments. These investments include non-readily marketable securities that do not have an active market.

Financial assets recorded on the Combined Statement of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended December 31, 2008:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total December 31, 2008</u> |
|------------------------|-----------------------------|--------------------|--------------------|--|
| Asset Category: | | | | |
| Investments | \$ 13,909,467 | \$ - | \$ - | \$ 13,909,467 |
| Assets held in trust | <u>96,782</u> | <u>-</u> | <u>-</u> | <u>96,782</u> |
| TOTAL | <u>\$ 14,006,249</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,006,249</u> |

**NEW ISRAEL FUND
SIGNING ANEW**

**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2008**

12. UNCERTAIN TAX POSITIONS

In June 2006, the FASB released FASB Interpretation No. (FIN) 48, Accounting for Uncertainty in Income Taxes. FIN 48 interprets the guidance in FASB Statement of Financial Accounting Standards (SFAS) No. 109, Accounting for Income Taxes. When FIN 48 is implemented, reporting entities utilize different recognition thresholds and measurement requirements when compared to prior technical literature. On December 30, 2008, the FASB Staff issued FASB Staff Position (FSP) FIN 48-3, Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises. As defined by the guidance in FSP FIN 48-3, NIF is not required to implement the provisions of FIN 48 until fiscal years beginning after December 15, 2008. As such, NIF has not implemented those provisions in the 2008 financial statements.

Since the provisions of FIN 48 have not been implemented in accounting for uncertain tax positions, NIF continues to utilize its prior policy of accounting for these positions, following the guidance in SFAS No. 5, Accounting for Contingencies. Disclosure is not required of a loss contingency involving an unasserted claim or assessment when there has been no manifestation by a potential claimant of an awareness of a possible claim or assessment unless it is considered probable that a claim will be asserted and there is a reasonable possibility that the outcome will be unfavorable. Using that guidance, as of December 31, 2008, NIF has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.



GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON
SUPPLEMENTAL FINANCIAL INFORMATION**

To the Board of Directors
New Israel Fund
Signing Anew
Washington, D.C.

Our report on our audit of the basic combined financial statements of the New Israel Fund and Signing Anew as of December 31, 2008 appears on page 2. The audit was made for the purpose of forming an opinion on the basic combined financial statements taken as a whole. The information contained in Schedules 1 through 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic combined financial statements and in our opinion, is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

Gelman Rosenberg & Freedman

June 19, 2009

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2008**

ASSETS

| | New Israel Fund - U.S. | New Israel Fund - Israel Office | Total New Israel Fund | Signing Anew | Eliminations | Combined |
|--|-----------------------------------|--|----------------------------------|----------------------------|----------------------------|-----------------------------|
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents | \$ 7,835,585 | \$ 2,521,177 | \$ 10,356,762 | \$ 399,500 | \$ - | \$ 10,756,262 |
| Investments | 12,263,041 | 816,329 | 13,079,370 | 830,097 | - | 13,909,467 |
| Prepaid expenses | 8,064 | - | 8,064 | - | - | 8,064 |
| Pledges receivable | 7,866,136 | 101,752 | 7,967,888 | - | - | 7,967,888 |
| Accounts receivable | 155,499 | 18,113 | 173,612 | 14,707 | - | 188,319 |
| Intercompany/affiliate receivable | 392,870 | 31,864 | 424,734 | 110,735 | (503,605) | 31,864 |
| Inventory | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,490</u> | <u>-</u> | <u>1,490</u> |
| Total current assets | <u>28,521,195</u> | <u>3,489,235</u> | <u>32,010,430</u> | <u>1,356,529</u> | <u>(503,605)</u> | <u>32,863,354</u> |
| FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS | | | | | | |
| Furniture and equipment | 424,212 | 1,347,482 | 1,771,694 | 87 | - | 1,771,781 |
| Leasehold improvements | <u>157,193</u> | <u>-</u> | <u>157,193</u> | <u>-</u> | <u>-</u> | <u>157,193</u> |
| | 581,405 | 1,347,482 | 1,928,887 | 87 | - | 1,928,974 |
| Less: Accumulated depreciation and amortization | <u>(460,304)</u> | <u>(955,098)</u> | <u>(1,415,402)</u> | <u>-</u> | <u>-</u> | <u>(1,415,402)</u> |
| Net furniture, equipment and leasehold improvements | <u>121,101</u> | <u>392,384</u> | <u>513,485</u> | <u>87</u> | <u>-</u> | <u>513,572</u> |
| OTHER ASSETS | | | | | | |
| Pledges receivable | 331,820 | - | 331,820 | - | - | 331,820 |
| Deposits | 9,795 | - | 9,795 | - | - | 9,795 |
| Assets held in charitable trust | <u>96,782</u> | <u>-</u> | <u>96,782</u> | <u>-</u> | <u>-</u> | <u>96,782</u> |
| Total other assets | <u>438,397</u> | <u>-</u> | <u>438,397</u> | <u>-</u> | <u>-</u> | <u>438,397</u> |
| TOTAL ASSETS | <u>\$29,080,693</u> | <u>\$ 3,881,619</u> | <u>\$32,962,312</u> | <u>\$ 1,356,616</u> | <u>\$ (503,605)</u> | <u>\$ 33,815,323</u> |

LIABILITIES AND NET ASSETS

| | <u>New Israel Fund - U.S.</u> | <u>New Israel Fund - Israel Office</u> | <u>Total New Israel Fund</u> | <u>Signing Anew</u> | <u>Eliminations</u> | <u>Combined</u> |
|---|-----------------------------------|--|----------------------------------|----------------------------|----------------------------|-----------------------------|
| CURRENT LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | \$ 235,255 | \$ 1,555,945 | \$ 1,791,200 | \$ 29,453 | \$ - | \$ 1,820,653 |
| Grants payable | 8,529,252 | 29,546 | 8,558,798 | - | - | 8,558,798 |
| Intercompany/affiliate payable | - | 503,605 | 503,605 | - | (503,605) | - |
| Liabilities under split interest agreements, current | <u>60,460</u> | <u>-</u> | <u>60,460</u> | <u>-</u> | <u>-</u> | <u>60,460</u> |
| Total current liabilities | <u>8,824,967</u> | <u>2,089,096</u> | <u>10,914,063</u> | <u>29,453</u> | <u>(503,605)</u> | <u>10,439,911</u> |
| LONG-TERM LIABILITIES | | | | | | |
| Deferred rent abatement | 79,288 | - | 79,288 | - | - | 79,288 |
| Liabilities under split interest agreements | <u>385,993</u> | <u>-</u> | <u>385,993</u> | <u>-</u> | <u>-</u> | <u>385,993</u> |
| Total long-term liabilities | <u>465,281</u> | <u>-</u> | <u>465,281</u> | <u>-</u> | <u>-</u> | <u>465,281</u> |
| Total liabilities | <u>9,290,248</u> | <u>2,089,096</u> | <u>11,379,344</u> | <u>29,453</u> | <u>(503,605)</u> | <u>10,905,192</u> |
| NET ASSETS | | | | | | |
| Unrestricted | 4,457,645 | (902,878) | 3,554,767 | 225,311 | - | 3,780,078 |
| Temporarily restricted | 13,403,413 | 2,695,401 | 16,098,814 | 1,101,852 | - | 17,200,666 |
| Permanently restricted | <u>1,929,387</u> | <u>-</u> | <u>1,929,387</u> | <u>-</u> | <u>-</u> | <u>1,929,387</u> |
| Total net assets | <u>19,790,445</u> | <u>1,792,523</u> | <u>21,582,968</u> | <u>1,327,163</u> | <u>-</u> | <u>22,910,131</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$29,080,693</u> | <u>\$ 3,881,619</u> | <u>\$32,962,312</u> | <u>\$ 1,356,616</u> | <u>\$ (503,605)</u> | <u>\$ 33,815,323</u> |

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>New Israel Fund - U.S.</u> | <u>New Israel Fund - Israel Office</u> | <u>Total New Israel Fund</u> | <u>Signing Anew</u> | <u>Eliminations</u> | <u>Total</u> |
|--|-----------------------------------|--|----------------------------------|-------------------------|---------------------|-----------------------|
| UNRESTRICTED REVENUE | | | | | | |
| Contributions: | | | | | | |
| General support | \$ 13,727,971 | \$ 891,245 | \$ 14,619,216 | \$ 103,364 | \$ - | \$ 14,722,580 |
| Donor-advised | 9,987,597 | - | 9,987,597 | - | - | 9,987,597 |
| Income to Israel | - | 6,396,992 | 6,396,992 | - | (6,396,992) | - |
| Investment income (loss) | (185,657) | (246,470) | (432,127) | (24,456) | - | (456,583) |
| Program revenue | 156,965 | - | 156,965 | - | - | 156,965 |
| In-kind contributions | 63,025 | - | 63,025 | - | - | 63,025 |
| Other revenue | 229,965 | 65,537 | 295,502 | - | - | 295,502 |
| Net assets released from donor restrictions | <u>5,024,326</u> | <u>21,361,439</u> | <u>26,385,765</u> | <u>484,353</u> | <u>(19,320,833)</u> | <u>7,549,285</u> |
| Total unrestricted revenue | 29,004,192 | 28,468,743 | 57,472,935 | 563,261 | (25,717,825) | 32,318,371 |
| EXPENSES | <u>32,839,885</u> | <u>28,155,699</u> | <u>60,995,584</u> | <u>504,967</u> | <u>(25,717,825)</u> | <u>35,782,726</u> |
| Change in net assets before other item | (3,835,693) | 313,044 | (3,522,649) | 58,294 | - | (3,464,355) |
| Other item: Transfer of assets | <u>3,708,900</u> | <u>-</u> | <u>3,708,900</u> | <u>-</u> | <u>-</u> | <u>3,708,900</u> |
| Change in unrestricted net assets | <u>(126,793)</u> | <u>313,044</u> | <u>186,251</u> | <u>58,294</u> | <u>-</u> | <u>244,545</u> |
| TEMPORARILY RESTRICTED REVENUE | | | | | | |
| Contributions: | | | | | | |
| General support | 7,696,372 | 20,719,745 | 28,416,117 | 628,547 | (19,320,833) | 9,723,831 |
| Donor-advised | - | - | - | - | - | - |
| Investment income | (2,014,708) | (187,239) | (2,201,947) | (176,488) | - | (2,378,435) |
| Net assets released from donor restrictions | <u>(5,024,326)</u> | <u>(21,361,439)</u> | <u>(26,385,765)</u> | <u>(484,353)</u> | <u>19,320,833</u> | <u>(7,549,285)</u> |
| Change in temporarily restricted net assets before other item | 657,338 | (828,933) | (171,595) | (32,294) | - | (203,889) |
| Other item: Transfer of assets | <u>1,136,680</u> | <u>-</u> | <u>1,136,680</u> | <u>-</u> | <u>-</u> | <u>1,136,680</u> |
| Change in temporarily restricted net assets | <u>1,794,018</u> | <u>(828,933)</u> | <u>965,085</u> | <u>(32,294)</u> | <u>-</u> | <u>932,791</u> |
| PERMANENTLY RESTRICTED REVENUE | | | | | | |
| Contributions | 50,000 | - | 50,000 | - | - | 50,000 |
| Other item: Transfer of assets | <u>(4,845,580)</u> | <u>-</u> | <u>(4,845,580)</u> | <u>-</u> | <u>-</u> | <u>(4,845,580)</u> |
| Change in permanently restricted net assets | <u>(4,795,580)</u> | <u>-</u> | <u>(4,795,580)</u> | <u>-</u> | <u>-</u> | <u>(4,795,580)</u> |
| CHANGE IN NET ASSETS | <u>\$ (4,265,035)</u> | <u>\$ (515,889)</u> | <u>\$ (4,780,924)</u> | <u>\$ 26,000</u> | <u>\$ -</u> | <u>\$ (4,754,924)</u> |

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINING SCHEDULE OF CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>New Israel Fund - U.S.</u> | <u>New Israel Fund - Israel Office</u> | <u>Total New Israel Fund</u> | <u>Signing Anew</u> | <u>Eliminations</u> | <u>Total</u> |
|---|-----------------------------------|--|----------------------------------|----------------------------|---------------------|-----------------------------|
| UNRESTRICTED NET ASSETS | | | | | | |
| Net assets at beginning of year | \$ 4,584,438 | \$(1,215,922) | \$ 3,368,516 | \$ 167,017 | \$ - | \$ 3,535,533 |
| Change in unrestricted net assets | <u>(126,793)</u> | <u>313,044</u> | <u>186,251</u> | <u>58,294</u> | <u>-</u> | <u>244,545</u> |
| UNRESTRICTED NET ASSETS AT END OF YEAR | <u>\$ 4,457,645</u> | <u>\$ (902,878)</u> | <u>\$ 3,554,767</u> | <u>\$ 225,311</u> | <u>\$ -</u> | <u>\$ 3,780,078</u> |
| TEMPORARILY RESTRICTED NET ASSETS | | | | | | |
| Net assets at beginning of year | \$ 11,609,395 | \$ 3,524,334 | \$ 15,133,729 | \$ 1,134,146 | \$ - | \$ 16,267,875 |
| Change in temporarily restricted net assets | <u>1,794,018</u> | <u>(828,933)</u> | <u>965,085</u> | <u>(32,294)</u> | <u>-</u> | <u>932,791</u> |
| TEMPORARILY RESTRICTED NET ASSETS AT END OF YEAR | <u>\$ 13,403,413</u> | <u>\$ 2,695,401</u> | <u>\$ 16,098,814</u> | <u>\$ 1,101,852</u> | <u>\$ -</u> | <u>\$ 17,200,666</u> |
| PERMANENTLY RESTRICTED NET ASSETS | | | | | | |
| Net assets at beginning of year | \$ 6,724,967 | \$ - | \$ 6,724,967 | \$ - | \$ - | \$ 6,724,967 |
| Change in permanently restricted net assets | <u>(4,795,580)</u> | <u>-</u> | <u>(4,795,580)</u> | <u>-</u> | <u>-</u> | <u>(4,795,580)</u> |
| PERMANENTLY RESTRICTED NET ASSETS AT END OF YEAR | <u>\$ 1,929,387</u> | <u>\$ -</u> | <u>\$ 1,929,387</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,929,387</u> |
| TOTAL NET ASSETS AT END OF YEAR | <u>\$ 19,790,445</u> | <u>\$ 1,792,523</u> | <u>\$ 21,582,968</u> | <u>\$ 1,327,163</u> | <u>\$ -</u> | <u>\$ 22,910,131</u> |

NEW ISRAEL FUND
SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|---------------------------------|---------------------|---------------------|-------------------------------|
| 12 Heshvan: Promoting Tolerance in an Orthodox Context | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Abraham Fund Initiatives | 1,700 | - | 1,700 | - |
| Absorption of Immigrants from the Caucasus Region | 37,500 | 81,000 | 76,000 | 42,500 |
| Access Israel | 2,871 | - | 2,871 | - |
| Adalah: Legal Center for Arab Minority Rights in Israel | 35,250 | 510,150 | 308,400 | 237,000 |
| Adam Institute for Democracy and Peace | 15,054 | 12,000 | 27,054 | - |
| Adam TevaV'Din: Israel Union for Environmental Defense | 1,800 | 21,800 | 21,800 | 1,800 |
| Addar - Association for Developing the Old City Ramla | 6,000 | (6,000) | - | - |
| Adva Center | 130,000 | 180,000 | 240,000 | 70,000 |
| Afaq-Almothalat - Association for Research and Development | 7,500 | 30,842 | 30,842 | 7,500 |
| African Refugees Development Center | 15,750 | 167,262 | 176,812 | 6,200 |
| Agenda: The Israeli Center for Strategic Communication | 125,000 | 576,794 | 484,500 | 217,294 |
| Al-Ahali Association | 100,000 | 40,054 | 140,054 | - |
| Al-Amar | - | 43,750 | 15,000 | 28,750 |
| Al-Anwar Association for Advancing the Women in Um Al Fahim | 3,000 | 6,000 | 6,000 | 3,000 |
| Al-Rabbata: League for the Arabs of Jaffa | 12,500 | 25,000 | 12,500 | 25,000 |
| Al-Taj for Health and Heritage | 1,500 | 34,000 | 30,500 | 5,000 |
| Al-Yater Association for Promoting Culture and Social Development | 7,500 | 15,000 | 7,500 | 15,000 |
| Al-Zahraa: Organization for Women | 12,500 | 25,000 | 25,000 | 12,500 |
| Aljana-Center for Cultural and Social Development | - | 12,000 | 12,000 | - |
| Almanarah | - | 25,000 | 12,500 | 12,500 |
| Almuntada Altakadumi | - | 21,000 | 6,000 | 15,000 |
| Al-Qaws for Sexual and Gender Diversity in Palestinian Society | - | 77,000 | 63,500 | 13,500 |
| Alternative Voice in the Galilee | 7,500 | 35,000 | 15,000 | 27,500 |
| Amnesty International, Israel Section | - | 5,000 | 5,000 | - |
| Amutah Moshe Hess | 800,000 | 1,045,000 | 845,000 | 1,000,000 |
| Arab Center for Alternative Planning | 100,000 | 105,000 | 205,000 | - |
| Arab Forum for Sexuality | 23,500 | 28,908 | 23,500 | 28,908 |
| Arous Elbahr | - | 6,000 | 6,000 | - |
| ASSAF | - | 25,000 | 25,000 | - |
| Association for Advancement of the Ethiopian Family and Child (Almaya) | 75,000 | 73,628 | 75,500 | 73,128 |
| Association for the Advancement of Community Centers in Israel | 100,000 | 13,625 | 38,625 | 75,000 |
| Association for Arab Youth | 7,500 | (7,500) | - | - |
| Association for Civil Rights in Israel (ACRI) | 6,250 | 812,912 | 700,062 | 119,100 |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|--|--------------------------------------|-------------------------|-------------------------|------------------------------------|
| Association for Community Development, ACRE | \$ 10,000 | \$ 2,500 | \$ 12,500 | \$ - |
| Association for Elderly - LOD | - | 14,734 | 14,734 | - |
| Association for Eternal Rest (Menuha Nekhona) | 19,000 | 4,000 | 19,000 | 4,000 |
| Association for the Promotion of the Arab Education System | 20,000 | 35,000 | 37,500 | 17,500 |
| Association for the Protection of Mixed Family Rights | 30,000 | 60,000 | 62,500 | 27,500 |
| Association of Bedouin Women to Promote Education | 47,500 | 108,281 | 102,500 | 53,281 |
| Association of Forty For Recognition of Arab Villages | - | 70,000 | 70,000 | - |
| Association of Rape Crisis Centers | 27,100 | 38,000 | 41,100 | 24,000 |
| Association of Women, Rahat | 3,000 | 8,000 | 7,000 | 4,000 |
| Association to Promote the Wadi Naim Village | 2,000 | 15,000 | 9,500 | 7,500 |
| Association to Promote the Culture and Education in Kfar Yehezkiel | - | 20,000 | 20,000 | - |
| Aswat-Palestinian Gay Women | - | 34,000 | 34,000 | - |
| Awareness for You | 9,500 | 35,842 | 35,342 | 10,000 |
| Ayam-Recognition and Dialogue | 5,000 | 10,000 | 10,000 | 5,000 |
| B'Tselem | - | 449 | - | 449 |
| B'Tselem: Israel Information Center for Human Rights | 5,662 | 357,120 | 239,322 | 123,460 |
| Bar Ilan University (Ayala Center) | 30,000 | - | 30,000 | - |
| Bat Hamidbar | 1,000 | 9,000 | 10,000 | - |
| Bat Shalom | - | 1,950 | 1,700 | 250 |
| Beit Almusica | - | 5,000 | 5,000 | - |
| Beit Daniel | - | 20,000 | 20,000 | - |
| Beit Tfila Israeli | 9,000 | 9,000 | 9,000 | 9,000 |
| Bimat Kedem | 15,000 | - | 15,000 | - |
| Bimkom: Planners for Planning Rights | 170,150 | 334,571 | 407,221 | 97,500 |
| BINA (at Merchavim Chevra Lechinuch Vetarbut) | 46,030 | 102,050 | 90,580 | 57,500 |
| Bizchut: Center for Human Rights for Persons with Disabilities | 196,811 | 360,328 | 281,524 | 275,615 |
| Bizchut: Center for H.R. of Persons with Disabilities | - | 2,993 | - | 2,993 |
| Born to Live Proudly | 1,000 | - | - | 1,000 |
| Breaking the Silence | 45,000 | 68,833 | 67,425 | 46,408 |
| Bustan Le-Shalom | 39,060 | 92,936 | 131,496 | 500 |
| Castal | - | 9,000 | 9,000 | - |
| Center Against Racism and Defamation | 14,000 | - | - | 14,000 |
| Center for Educational Innovation-Public Education Association | 45,000 | - | 40,122 | 4,878 |
| Center for Jewish - Arab Economic Development | 170,005 | 167,758 | 220,755 | 117,008 |
| Center for Women's Justice | 15,000 | 106,928 | 66,928 | 55,000 |
| Centurian | - | 27,000 | 27,000 | - |
| Charedim Lasviva | - | 25,000 | - | 25,000 |
| Citizens Build a Community | 18,000 | 44,000 | 44,000 | 18,000 |
| Citizens for the Environment in Galilee | 5,000 | 69,000 | 74,000 | - |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|--------------------------------------|-------------------------|-------------------------|------------------------------------|
| Collot in the Negev: Institution for Education, Community and Culture | \$ 20,000 | \$ 50,000 | \$ 40,000 | \$ 30,000 |
| Commitment to Peace and Social Justice | 27,500 | 74,500 | 70,000 | 32,000 |
| Committee for Educational Guidance | 3,000 | - | 3,000 | - |
| Community Advocacy - Genesis Israel | 28,000 | 110,350 | 97,100 | 41,250 |
| Community for Learning Women | 12,500 | 43,150 | 43,150 | 12,500 |
| Council for Peace and Security | - | 24,000 | 24,000 | - |
| Counseling Center for Women | 19,000 | 425 | 19,425 | - |
| Crisis Center for Religious Women | - | 12,000 | 2,000 | 10,000 |
| Dafna Horev | - | 7,000 | - | 7,000 |
| Discourse in the Panhandle | - | 250 | 250 | - |
| Duroob | 11,500 | 48,600 | 60,100 | - |
| ELI Israel Association for Child Protection | - | 6,000 | 3,000 | 3,000 |
| Economic Cooperation Foundation | - | 140,000 | 140,000 | - |
| Economic Empowerment for Women | 25,000 | 184,500 | 181,500 | 28,000 |
| Ein-Bustan | 2,679 | 9,569 | 12,148 | 100 |
| El-Hawashle for Education and Welfare | 6,000 | - | - | 6,000 |
| El-Sabar Association | 1,000 | 16,000 | 17,000 | - |
| Eran Center | 25,000 | 491 | 25,491 | - |
| Eretz Acheret: A Different Land | - | 33,916 | 33,916 | - |
| Eretz Carmel | - | 5,000 | 5,000 | - |
| Esh David | 15,000 | 30,000 | 30,000 | 15,000 |
| Etgarim - The Israel Outdoor Sports and Recreation Association for the Disabled | 10,100 | 4,500 | 13,600 | 1,000 |
| Fidel: The Association for Education and Social Integration of Ethiopian Jews | 222,235 | 785,327 | 814,735 | 192,827 |
| Fidel - Netanya Project | - | 150,000 | - | 150,000 |
| Football State | - | 500 | 500 | - |
| Follow-up Committee for Arab Education | - | 85,000 | 85,000 | - |
| Forum of Directors of Social Welfare Departments Serving the Arab Population | 4,000 | 28,000 | 32,000 | - |
| Forum of Immigrant Families | - | 5,000 | - | 5,000 |
| Forum of Representatives of Ethiopian Jewish Community Organizations for the Ethiopian National Project (ENP) | 3,000 | 26,000 | 18,000 | 11,000 |
| Freddie Krivine Association (Committee for Coexistence and Equal Opportunity) | 51,211 | - | - | 51,211 |
| Freddie Krivine Foundation | - | 192,582 | 243,793 | (51,211) |
| Friend by Nature - Community Empowerment | 41,800 | 69,500 | 68,800 | 42,500 |
| Friends of Kedma School | 27,500 | 68,500 | 52,500 | 43,500 |
| Friendship and Cooperation | 18,750 | 60,500 | 58,625 | 20,625 |
| Friendship Village | - | 10,120 | - | 10,120 |
| Galilee Society of Health Research and Services | 97,500 | - | 97,500 | - |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|---------------------------------|---------------------|---------------------|-------------------------------|
| Gesher Hinuchi | \$ 37,500 | \$ 55,000 | \$ 50,000 | \$ 42,500 |
| Gerila Tarbut | 5,000 | - | 5,000 | - |
| Gilat | - | 10,000 | 10,000 | - |
| Gisha Center for Legal Protection of Freedom of Movement | 250 | 19,796 | 19,046 | 1,000 |
| Givat Haviva Jewish Arab Center for Peace | 2,000 | - | 2,000 | - |
| Granit: Assn. for Aid to Women Before, During and After Divorce Proceeding | - | 7,000 | 6,000 | 1,000 |
| Green Action | 7,700 | - | 7,700 | - |
| Green Environment Fund | 550,914 | 1,229,061 | 1,351,217 | 428,758 |
| Hakoi Hinuchi | - | 22,000 | 20,000 | 2,000 |
| Hagar: Bilingual Jewish-Arab Education for Equality | - | 16,958 | - | 16,958 |
| Haifa Women's Crisis Shelter | - | 15,000 | 15,000 | - |
| Hamachanot Ha'Olim | - | 4,500 | 4,500 | - |
| Hamoked: Center for Defense of the Individual | 750 | 240,250 | 138,500 | 102,500 |
| Ha'Amuutah Le-Kidom Hasport Hameshutaf Mevaseret-Abu Gosh | - | 15,000 | 10,000 | 5,000 |
| Haokets | - | 20,000 | 5,000 | 15,000 |
| Hanan Aynor Fund | - | 12,500 | 12,500 | - |
| Hand in Hand: Center for Jewish-Arab Education in Israel | 250 | 10,638 | 10,888 | - |
| Healthy Living B'Chessed (CHAVIV) | - | 3,000 | - | 3,000 |
| Hazit Be'Kavod | 7,500 | - | - | 7,500 |
| Hazit Ha'Kavod | - | 24,000 | 21,000 | 3,000 |
| Hebrew University - in Public Policy | 81,000 | - | - | 81,000 |
| Hebrew University | - | 485,000 | 272,500 | 212,500 |
| Hemdat: The Forum for Freedom of Choice in Marriage | (26,800) | 30,700 | 30,700 | (26,800) |
| Hemdat | 43,000 | 1,972 | 2,972 | 42,000 |
| Hila Mishali | - | 7,000 | - | 7,000 |
| Hillel: Association for Jews Leaving Ultra-Orthodoxy | 23,750 | 23,300 | 24,450 | 22,600 |
| Hiyot | - | 21,480 | 9,823 | 11,658 |
| Hotline for Migrant Workers | 60,650 | 159,166 | 180,412 | 39,404 |
| Hura Community Center | - | 10,000 | 10,000 | - |
| Idan Hadash (New Era) | - | 33,000 | 33,000 | - |
| E'elam: Media Center for Arab Palestinians in Israel | 15,500 | - | - | 15,500 |
| I'LAM - Media Center for Arab Palestinians in Israel | 83,500 | 31,700 | 118,200 | (3,000) |
| Immigrants for Successful Absorption in the Negev | 800 | 27,000 | 27,800 | - |
| Indimage | 12,000 | 5,000 | 17,000 | - |
| Institute for the Advancement of Deaf Persons in Israel | - | 9,294 | 9,294 | - |
| Institute of International Education | - | 220,000 | 220,000 | - |
| Inter-Religious Coordinating Council | 250 | 37,498 | 36,248 | 1,500 |
| Interfaith Encounter Association | - | 1,183 | 196 | 986 |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|--|-----------------------------|-----------------------------|--|
| Ir-Amim | \$ 24,782 | \$ 388,592 | \$ 268,648 | \$ 144,726 |
| Isha L'isha: Haifa Feminist Organization | 350 | 25,108 | 20,458 | 5,000 |
| Israel Aids Task Force | 1,000 | 45,000 | 23,500 | 22,500 |
| Israel Association for Ethiopian Jews | 75,000 | 135,250 | 155,250 | 55,000 |
| Israel Cancer Association | - | 4,000 | - | 4,000 |
| Israel Family Planning Association | 45,000 | 40,000 | 45,000 | 40,000 |
| Israel Free Loan Association | - | 1,000 | 500 | 500 |
| Israel PaleStine Center for Research and Information (IPCRI) | - | 15,000 | 10,000 | 5,000 |
| Israel Religious Action Center | 141,500 | 247,544 | 314,044 | 75,000 |
| Israeli Dysautonomia Foundation | - | 6,000 | 3,000 | 3,000 |
| Israel Women's Network (IWN) | 208 | 22,620 | 12,720 | 10,108 |
| Israeli Association for Immigrant Children (IAIC) | 93,500 | 133,408 | 132,000 | 94,908 |
| Israeli Center for Social Justice | 15,000 | 30,000 | 30,000 | 15,000 |
| Israeli Human Rights Organization of People with Disabilities | 13,500 | 66,000 | 25,500 | 54,000 |
| Jamaa'h | - | 20,000 | 20,000 | - |
| Jedaide Maker | - | 973 | 973 | - |
| Jerusalem Business Development Center: MATI | - | 23,100 | 23,100 | - |
| Jerusalem Open House for Pride and Tolerance | 17,133 | 148,176 | 152,325 | 12,984 |
| Jerusalem Open House for Pride and Tolerance | - | 150 | - | 150 |
| Jerusalem Symphony Orchestra | - | 13,965 | 13,965 | - |
| Jerusalem Venture Partners | - | 125,000 | 125,000 | - |
| Karev for Involvement in Education | 90,000 | 376,000 | 100,000 | 366,000 |
| Kayan - (Being) | - | 40,750 | 30,750 | 10,000 |
| Kefa for Change in the Negev Social | 3,000 | 7,000 | 6,500 | 3,500 |
| Kehilat Shira Chadasha | 15,104 | 17,887 | 24,489 | 8,502 |
| Kehillat Yedidya | 650 | 500 | 1,150 | - |
| Kehilla: Center for Cooperative Learning | 10,000 | 10,000 | 15,000 | 5,000 |
| Keren Klita | - | 1,116 | 1,116 | - |
| Kesher: Information, Guidance, and Counseling Center | - | 5,000 | - | 5,000 |
| Kitar | 25,000 | 28,000 | 28,000 | 25,000 |
| Kol Ha'isha: Jerusalem Women's Center | 7,800 | 67,536 | 68,836 | 6,500 |
| Kol Haneshama | - | 4,895 | 4,795 | 100 |
| Kolot | 2,900 | 18,000 | 20,900 | - |
| Laborer's Voice (Sut El-Amel) | 37,500 | 80,000 | 77,500 | 40,000 |
| Lagiya: Association for the Improvement of the Status of Women | - | 40,000 | 25,000 | 15,000 |
| Latet | - | 5,870 | 5,870 | - |
| Law in the Service of the Elderly | 15,000 | 28,176 | 29,176 | 14,000 |
| Liali Associaiton | - | 18,000 | 18,000 | - |
| Life and Environment | - | 10,000 | - | 10,000 |
| Local Committee Bir Hadaj | 5,000 | - | - | 5,000 |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|--------------------------------------|-------------------------|-------------------------|------------------------------------|
| Ma'an - Forum of Bedouin Women's Organizations | \$ 63,000 | \$ 70,272 | \$ 101,000 | \$ 32,272 |
| Mada - Institute of Democracy and Leadership Training of Sovier Immigrants | - | 50,000 | - | 50,000 |
| Mabat - Awareness in a Multi-Cultural Society | - | 160,000 | 75,000 | 85,000 |
| Mada Al-Carmel - Arab Center for Applied Social Research | - | 200,000 | 100,000 | 100,000 |
| Mahapach: Education, Housing, and Livelihood | 50,000 | 134,966 | 130,645 | 54,321 |
| MAOF | - | 30,219 | 15,219 | 15,000 |
| Mahut Center | - | 89,500 | 89,500 | - |
| Masorti (Conservative) Movement: Religious Affairs Bureau | 39,000 | 40,000 | 49,000 | 30,000 |
| Matan-Your Way to Give | 2,500 | - | 2,500 | - |
| Mavoi Satum ("Dead End") | - | 25,000 | 5,000 | 20,000 |
| Megama Yeruka (Green Course) | - | 10,000 | 10,000 | - |
| Meitar: College of Pluralistic Judaism | 12,500 | 44,600 | 44,600 | 12,500 |
| Melitz Centers for Jewish-Zionist Education | - | 33,613 | 13,941 | 19,671 |
| Merhavim - Institute for Multicultural and Democratic Education for Israel | 25,114 | 117,012 | 115,172 | 26,954 |
| Merkaz Hashachar-Kibbutz K'Tura | 967 | 8,783 | 9,749 | - |
| Midreshet Kama | 15,000 | 35,000 | 35,000 | 15,000 |
| Midreshet Iyun | - | 5,000 | - | 5,000 |
| Mifne Center | - | 500 | 500 | - |
| Mimizrach Shemesh - The Jewish Social Leadership Center | 30,000 | 30,000 | 45,000 | 15,000 |
| Mira Menashe | - | 7,000 | - | 7,000 |
| Mosaica Center for Inter-Religious Cooperation | - | 50,000 | - | 50,000 |
| Mossawa | 185,250 | 112,500 | 137,750 | 160,000 |
| Movement for Dignified Living | 12,600 | 23,000 | 23,100 | 12,500 |
| Movement for Israeli Urbanism | - | 70,000 | 70,000 | - |
| Movement for Quality Government | - | 5,000 | 5,000 | - |
| Namag | 1,000 | - | 1,000 | - |
| National Committee for Arab Local Authorities in Israel | - | 100,000 | 75,000 | 25,000 |
| National Council for the Child | 19,802 | 15,750 | 35,552 | - |
| National Movement for Equal Opportunities of Ethiopian Jewry | - | 1,800 | 1,800 | - |
| Naveh Atid - Dahmash | 6,000 | - | - | 6,000 |
| Nazareth Nurseries Institute | 75,000 | 88,100 | 93,100 | 70,000 |
| Ne'emanei Torah va-Avodah | 50,000 | 94,500 | 69,500 | 75,000 |
| Negev Bar-Kayyama | 6,000 | - | 6,000 | - |
| Negev Coexistence Forum | 59,250 | - | 33,000 | 26,250 |
| Negev Institute for Strategies of Peace and Development | 37,000 | 233,946 | 184,674 | 86,272 |
| Neighbors for Joint Development in the Galilee | 50,000 | 100,772 | 123,500 | 27,272 |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|--|--|-----------------------------|-----------------------------|--|
| Netivei Ahva (Friendship's Way) | \$ 5,553 | \$ 37,364 | \$ - | \$ 42,917 |
| Netivei Ahva: Friendship's Way | - | 14,967 | - | 14,967 |
| Neve Shalom - Wahat al-Salam (NS/WAS) | 1,967 | 6,650 | 7,467 | 1,150 |
| New Discourse (Democratic Mizrahi Rainbow) | 9,000 | 47,000 | 56,000 | - |
| New Family | 15,000 | 40,000 | 42,500 | 12,500 |
| New Initiative for Women | - | 2,441 | 2,441 | - |
| Nisan: Young Women Leaders | 6,626 | 7,500 | 6,626 | 7,500 |
| Noar Kahalacha | - | 30,000 | 30,000 | - |
| One in Nine: Women for Women Victims of Cancer | - | 27,135 | 27,135 | - |
| One Plus One | 33,750 | 98,806 | 81,306 | 51,250 |
| Oranim: Hamidrasha Center for Study Fellowship | 82,900 | 61,000 | 95,400 | 48,500 |
| Organization for Housing Rights | 15,000 | 30,000 | 30,000 | 15,000 |
| Our Heritage | - | 26,000 | 13,000 | 13,000 |
| Oz VeShalom - Netivot Shalom | 280 | 650 | 930 | - |
| Ozma-The Israeli Forum of Families of the Mentally Ill | - | 20,000 | 10,000 | 10,000 |
| Panim | 30,100 | 93,100 | 93,100 | 30,100 |
| Pardes - for Community Development in South Tel Aviv | 3,000 | 13,000 | 7,000 | 9,000 |
| Parent's Circle: Bereaved Parents | 57 | 986 | 57 | 986 |
| Parent's Involvement Center | 10,000 | 3,000 | 11,500 | 1,500 |
| Peace Child | 250 | 26,100 | 26,250 | 100 |
| Pelech School | 1,800 | 1,800 | 1,800 | 1,800 |
| Physicians for Human Rights | 22,464 | 210,716 | 157,881 | 75,300 |
| Pinat Shorashim | 1,000 | 1,500 | 2,500 | - |
| Public Committee Against Torture | 5,000 | 15,000 | 12,500 | 7,500 |
| Qasr Alsir (Alhawshleh) Association | - | 7,000 | - | 7,000 |
| Qadaya Al Shabiba-Association to Support Arab Minors | - | 47,752 | 47,752 | - |
| Rabbis for Human Rights | 8,074 | 37,448 | 18,574 | 26,948 |
| Radio all for Peace | - | 25,000 | 25,000 | - |
| Rahat: Tza'ad Kadima Association for the Advancement of Education | 33,000 | 38,908 | 33,000 | 38,908 |
| Rape Crisis Center - Hasharon | 575 | 1,000 | 1,575 | - |
| Rape Crisis Center - Jerusalem | 8,988 | 4,410 | 9,102 | 4,296 |
| Rape Crisis Center - Tel Aviv | - | 30,000 | 30,000 | - |
| Rape Crisis Center - Tel Aviv | 30,000 | - | - | 30,000 |
| Regional Council for Unrecognized Arab Villages - Al-Auna | 26,000 | 85,000 | 42,500 | 68,500 |
| Religious Woman's Forum | 35,000 | 83,000 | 65,000 | 53,000 |
| Re'ut - A Religious Pluralistic Community | - | 500 | - | 500 |
| Re'ut Institute for Vision to Policy | 30,000 | - | 30,000 | - |
| Re'ut /Sadaka: Jewish-Arab Youth Movement for Peace and Equality | 12,000 | 40,378 | 47,434 | 4,945 |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|--------------------------------------|-------------------------|-------------------------|------------------------------------|
| Realistic Religious Zionism | \$ 20,046 | \$ - | \$ - | \$ 20,046 |
| Reut Shchenin | - | 17,250 | - | 17,250 |
| Selah - Israel Crisis Management Center for New Immigrants | 25,000 | 4,000 | 27,000 | 2,000 |
| Shai Society for the Rehabilitation and Support of Disabled | - | 25,000 | 25,000 | - |
| Shatil - Going the Distance (FORD) | - | (150,000) | (150,000) | - |
| Shatil - Student Mapping (FORD) | - | (75,000) | (75,000) | - |
| Shaked School | 24,000 | 25,000 | 12,000 | 37,000 |
| Shelter and Protect | - | 6,000 | 3,000 | 3,000 |
| Shilo - Pregnancy Advisory Service | 5,000 | 5,330 | 7,010 | 3,320 |
| Shiluv Institute | 19,500 | - | 19,500 | - |
| Shiluv - Integration | 12,500 | 20,000 | 22,500 | 10,000 |
| Shluvim | - | 17,323 | 17,323 | - |
| Sidreh | 40,000 | 56,090 | 72,000 | 24,090 |
| Sikkuy: Israel Association for the Advancement of Equal Opportunity | - | 260,500 | 160,250 | 100,250 |
| Sister for Women in Israel | 22,500 | 98,000 | 95,000 | 25,500 |
| Social Development Committee - Haifa | 20,000 | 7,500 | 20,000 | 7,500 |
| Social Economic Association-SEA | 33,000 | 30,000 | 48,000 | 15,000 |
| Society for Protection of Personal Rights | 1,900 | 2,200 | 1,900 | 2,200 |
| Society for Patients Rights in Israel | - | 12,000 | 6,000 | 6,000 |
| Sonia Sudri | - | 8,000 | - | 8,000 |
| South Wing to Zion | 43,000 | 121,000 | 153,500 | 10,500 |
| Supporting Community | 20,000 | 54,500 | 74,500 | - |
| Syncopa Community | 10,000 | 65,580 | 60,580 | 15,000 |
| Table to Table | - | 500 | 500 | - |
| Talea' Al-Mostkabal | 3,000 | 6,000 | 6,000 | 3,000 |
| Tasfachin | 37,500 | 55,000 | 50,000 | 42,500 |
| Tech-Careers - Computer Training for Ethiopian Israelis | - | 8,945 | 5,000 | 3,945 |
| Technion | - | 95,000 | - | 95,000 |
| Ethiopian Immigrant Center for Legal and Community Advocacy | (13,500) | - | 147,500 | (161,000) |
| Tebeka-Center for Legal Aid and Advocacy for Ethiopian Jewish in Israel | 81,000 | - | - | 81,000 |
| Tebeka - Ethiopian Immigrant Center for Legal Community | - | 136,100 | - | 136,100 |
| Tehuda | 30,000 | - | 30,000 | - |
| Tel Aviv University | 167,500 | 21,972 | 189,472 | - |
| Tene Briut | - | 19,500 | 6,000 | 13,500 |
| The Arab Center for Law and Policy | - | 96,000 | 96,000 | - |
| The Bedouin Association for Education and Health Development | - | 20,000 | 20,000 | - |

NEW ISRAEL FUND

**SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|--|-----------------------------|-----------------------------|--|
| The Branco Weiss Institute for the Development of Thinking | \$ 100,000 | \$ - | \$ 100,000 | \$ - |
| The Coalition of Women for Peace | 80,100 | 20,082 | 93,457 | 6,725 |
| The Coalition for Public Health | 100,000 | 50,180 | 100,180 | 50,000 |
| The Committee for Language Access of Health Care in Israel | 5,000 | - | 5,000 | - |
| The Committee for Planning and Protecting the Arabs' Rights in the Negev-Assiraj Fund | 12,500 | - | 12,500 | - |
| The Citizens Accord Forum Between Jews and Arabs in Israel (CAF) | - | 101,410 | 51,410 | 50,000 |
| The Eben Seena Society for Education and Health Promotion in Arraba Village | 5,000 | 10,000 | 10,000 | 5,000 |
| The Freedom of Information Association | 20,000 | 110,000 | 35,000 | 95,000 |
| The Gideon Association for Ethiopian Jews | - | 750 | 750 | - |
| The Givatayim Municipal Conservatory of Music | - | 6,000 | 3,000 | 3,000 |
| The Heschel Center for Environmental Learning and Leadership | 35,000 | 85,000 | 120,000 | - |
| The Israeli Association for Distributive Justice, LTD | 17,500 | 338,000 | 276,500 | 79,000 |
| The Israeli Center for Food Security | - | 25,000 | 25,000 | - |
| The Israeli Energy Forum | - | 137,000 | 137,000 | - |
| The Shitim Institute | 11,000 | 52,000 | 37,000 | 26,000 |
| Tmura | - | 30,000 | 30,000 | - |
| The Yaacov Herzog Center for Jewish Studies | 27,000 | 25,000 | 27,000 | 25,000 |
| Transport Today and Tomorrow | - | 25,000 | - | 25,000 |
| Trust of Programs for Early Childhood, Family and 'Community Education | 20,000 | 85,000 | 65,000 | 40,000 |
| Tzad Kadima: Assn for the Advancement of Conductive Education in Israel | 569 | - | 569 | - |
| Tzofen | - | 61,000 | 61,000 | - |
| Upper Galilee Rape Crisis Center | 500 | 5,500 | 5,500 | 500 |
| Van Leer Jerusalem Institute | - | 112,000 | 112,000 | - |
| Windows Magazine for Children | 5,000 | 100 | 5,100 | - |
| Wing of Love | - | 19,569 | 19,569 | - |
| Woman to Woman-Jerusalem Battered Women's Shelter | 100 | 5,513 | 2,627 | 2,986 |
| Women Against Violence - Nazareth | 120,000 | 117,700 | 217,700 | 20,000 |
| Women Against Violence: Working Group for Equality in Personal Status Issues | - | 32,000 | 32,000 | - |
| Women and Horizons - Nis'a V'afek | 13,500 | 48,385 | 46,885 | 15,000 |
| Women and their Bodies | - | 10,000 | - | 10,000 |
| Women's Crisis Center - Negev (Maslan) | 5,000 | - | 5,000 | - |
| Women for Women-Haifa Battered Women's Shelter | - | 2,875 | - | 2,875 |
| Women Lawyers for Social Change | 4,530 | 137,900 | 130,080 | 12,350 |

NEW ISRAEL FUND

SCHEDULE OF GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2008

| Vendor Name | Grants Payable 12/31/2007 | Grant Authorized | Grants Disbursed | Grants Payable 12/31/08 |
|---|---------------------------|----------------------|----------------------|-------------------------|
| Women of Israel | \$ - | \$ 6,000 | \$ 3,000 | \$ 3,000 |
| Women's Fund for Human Rights | 3,489 | 89,362 | 91,325 | 1,525 |
| Worker's Hotline: Kav La-Oved | 75,250 | 59,625 | 127,750 | 7,125 |
| Yad L'Isha | 20,000 | 42,000 | 42,000 | 20,000 |
| Yad L'Isha - ICAR | - | 1,497 | - | 1,497 |
| Yasmin Al Nagab | - | 10,000 | 5,000 | 5,000 |
| Yedid Association | 50,550 | 145,357 | 150,907 | 45,000 |
| Yeladenu Be'tnufa | - | 6,000 | 3,000 | 3,000 |
| Yerucham Association | - | 8,000 | - | 8,000 |
| Yesh Din | 548 | 73,642 | 54,190 | 20,000 |
| Yesodot | - | 75,000 | 75,000 | - |
| Youth Buiding a Future | - | 15,653 | 15,653 | - |
| Yuvalim | - | 4,490 | - | 4,490 |
| OTHER | | | | |
| A.V. Israel | - | 7,500 | 3,750 | 3,750 |
| Jerusalem International YMCA | - | 7,111 | - | 7,111 |
| F. Lavin Weaver's Donor Advised Fund for Dafna Fund | - | 3,600 | 3,600 | - |
| | \$ 7,402,157 | \$ 20,176,422 | \$ 19,019,781 | \$ 8,558,798 |

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED SCHEDULE OF PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | |
|---|-----------------------------|
| SHATIL EMPOWERMENT AND TRAINING CENTER FOR SOCIAL CHANGE ORGANIZATIONS IN ISRAEL | \$ <u>6,836,419</u> |
| OTHER NEW ISRAEL FUND PROJECTS | |
| Ford administrative costs | 223,321 |
| Institutional Development Project | 540,875 |
| Justice Fellows | 54,247 |
| Civil Liberties Law Program | 101,614 |
| Different Course | 46,924 |
| Signing Anew | 17,920 |
| Other projects and publications | <u>79,248</u> |
| Total Other New Israel Fund Projects | <u>1,064,149</u> |
| TOTAL PROJECTS | \$ <u>7,900,568</u> |
| TOTAL GRANTS | \$ <u>20,176,422</u> |
| TOTAL GRANTS AND PROJECTS | \$ <u>28,076,990</u> |

**NEW ISRAEL FUND
SIGNING ANEW**

**COMBINED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | Program Services | | | Total Program Services |
|---------------------------------------|--------------------------------|-----------------------------|-----------------------------------|---------------------------------------|
| | Grants and Projects | Grant Management | Educational Activities | |
| Grants/projects - allocations | \$20,176,422 | \$ - | \$ - | \$20,176,422 |
| Compensation of officers | - | 88,917 | 88,917 | 177,834 |
| Other salaries | 4,557,504 | 903,974 | 934,163 | 6,395,641 |
| Employee benefits | 98,353 | 48,145 | 155,134 | 301,632 |
| Fees for services | 928,214 | - | - | 928,214 |
| Management (program) | 860,857 | 351,504 | 129,502 | 1,341,863 |
| Legal fees | - | - | - | - |
| Accounting fees | 24,580 | - | - | 24,580 |
| Professional fundraising | - | - | - | - |
| Consultancy/contract costs | - | - | 250.00 | 250 |
| Investment management fees | - | 30,213 | - | 30,213 |
| Office expenses | 245,521 | 18,446 | 7,308 | 271,275 |
| Information technology | 10,449 | - | 4,991 | 15,440 |
| Occupancy | 205,631 | 76,223 | 145,372 | 427,226 |
| Travel | 289,408 | 9,498 | 25,648 | 324,554 |
| Conferences, conventions and meetings | 8,428 | 40,713 | 95,796 | 144,937 |
| Stipends | 46,300 | 5,557 | 17,905 | 69,762 |
| Depreciation and amortization | 87,796 | 31,257 | 18,127 | 137,180 |
| Insurance | - | 926 | 3,107 | 4,033 |
| Supplies | 50,966 | 24,937 | 13,468 | 89,371 |
| Telephone | 132,473 | 39,414 | 32,763 | 204,650 |
| Postage and shipping | 319 | 2,001 | 39,995 | 42,315 |
| Equipment rental/maintenance | 112,882 | 41,215 | 24,330 | 178,427 |
| Printing/publications | 184,009 | 570 | 126,436 | 311,015 |
| Annuity payments | - | - | - | - |
| Miscellaneous expenses | 4,313 | 10,326 | 3,789 | 18,428 |
| Dues and subscriptions | 10,800 | 700 | 2,346 | 13,846 |
| Contributions | 10,000 | 806 | 1,897 | 12,703 |
| Lock box fees | - | - | - | - |
| Governance | 171 | - | - | 171 |
| Staff training | 31,594 | 4,832 | 1,781 | 38,207 |
| Speaker tours | - | - | 32,558 | 32,558 |
| TOTAL | \$28,076,990 | \$ 1,730,174 | \$ 1,905,583 | \$31,712,747 |

| Supporting Services | | | |
|-----------------------------------|---------------------|--|---------------------------|
| Management and General | Fundraising | Total Supporting Services | Total Expenses |
| \$ - | \$ - | \$ - | \$ 20,176,422 |
| 73,761 | 117,209 | 190,970 | 368,804 |
| 687,644 | 991,235 | 1,678,879 | 8,074,520 |
| 101,639 | 230,026 | 331,665 | 633,297 |
| - | - | - | 928,214 |
| 123,335 | 12,333 | 135,668 | 1,477,531 |
| 298 | - | 298 | 298 |
| 123,402 | - | 123,402 | 147,982 |
| - | 199,169 | 199,169 | 199,169 |
| 2,487 | 133,068 | 135,555 | 135,805 |
| 8,264 | - | 8,264 | 38,477 |
| 7,810 | 1,430 | 9,240 | 280,515 |
| 934 | 19,172 | 20,106 | 35,546 |
| 101,172 | 196,206 | 297,378 | 724,604 |
| 96,095 | 42,387 | 138,482 | 463,036 |
| 43,108 | 59,872 | 102,980 | 247,917 |
| 11,731 | 26,549 | 38,280 | 108,042 |
| 15,163 | 12,006 | 27,169 | 164,349 |
| 2,080 | 4,596 | 6,676 | 10,709 |
| 14,832 | 17,840 | 32,672 | 122,043 |
| 27,742 | 34,048 | 61,790 | 266,440 |
| 22,067 | 45,245 | 67,312 | 109,627 |
| 20,265 | 16,536 | 36,801 | 215,228 |
| 32,929 | 66,127 | 99,056 | 410,071 |
| 53,711 | - | 53,711 | 53,711 |
| 3,608 | 358 | 3,966 | 22,394 |
| 1,571 | 3,472 | 5,043 | 18,889 |
| 854 | 1,186 | 2,040 | 14,743 |
| 58,230 | - | 58,230 | 58,230 |
| 203,310 | - | 203,310 | 203,481 |
| 1,697 | 170 | 1,867 | 40,074 |
| - | - | - | 32,558 |
| \$ 1,839,739 | \$ 2,230,240 | \$ 4,069,979 | \$ 35,782,726 |