

**FINANCIAL STATEMENTS**

# **NEW ISRAEL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2014  
WITH SUMMARIZED FINANCIAL  
INFORMATION FOR 2013**

# NEW ISRAEL FUND

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### INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the New Israel Fund (NIF), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and change in net assets and cash flows for the year then ended, and the related notes to the financial statements.

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial activity of the New Israel Fund-Israel office (NIF - Israel), a field office located in Jerusalem, Israel, which statements reflect total assets constituting 21% of the combined total assets as of December 31, 2014 and total revenues constituting 18% of the combined total revenues for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the NIF - Israel office, is based solely on the report of the other auditors. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion, based on our report and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of NIF as of December 31, 2014, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## Report on Summarized Comparative Information

We have previously audited NIF's 2013 financial statements and the financial activity of the NIF - Israel office was audited by other auditors, whose report was furnished to us dated April 20, 2015, and in our opinion, insofar as it relates to the amounts included for the NIF - Israel office, located in Jerusalem, Israel, was based solely on the report of the other auditors. We expressed an unmodified audit opinion on those audited financial statements in our report dated May 23, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Schedule of Financial Position, Combining Schedule of Activities, Combining Schedule of Change in Net Assets, Schedule of Grants, and Schedule of Functional Expenses beginning on page 18 and ending on page 29, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



July 6, 2015

**NEW ISRAEL FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2014**  
**WITH SUMMARIZED FINANCIAL INFORMATION FOR 2013**

**ASSETS**

	<u>2014</u>	<u>2013</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 8,045,613	\$ 5,948,327
Investments (Notes 2, 4 and 10)	9,356,879	9,021,247
Pledges receivable, current portion, net of allowance for doubtful accounts of \$58,780 and \$81,713 in 2014 and 2013, respectively (Note 3)	2,557,626	2,912,727
Bequest receivable	-	2,400,000
Accounts receivable	141,355	26,636
Prepaid expenses	<u>73,406</u>	<u>60,604</u>
Total current assets	<u>20,174,879</u>	<u>20,369,541</u>
<b>FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS</b>		
Furniture and equipment	2,053,041	1,972,351
Leasehold improvements	<u>110,706</u>	<u>110,706</u>
	2,163,747	2,083,057
Less: Accumulated depreciation and amortization	<u>(1,758,189)</u>	<u>(1,582,862)</u>
Net furniture, equipment and leasehold improvements	<u>405,558</u>	<u>500,195</u>
<b>OTHER ASSETS</b>		
Pledges receivable, net of current portion (Note 3)	-	9,685
Deposits	<u>87,966</u>	<u>84,918</u>
Total other assets	<u>87,966</u>	<u>94,603</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 20,668,403</u></b>	<b><u>\$ 20,964,339</u></b>

## LIABILITIES AND NET ASSETS

	<u>2014</u>	<u>2013</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 11)	\$ 1,910,135	\$ 1,773,181
Grants payable	4,626,566	4,247,028
Annuity payable, current portion (Notes 4 and 10)	25,330	31,836
Deferred rent abatement (Note 5)	<u>3,645</u>	<u>3,645</u>
Total current liabilities	<u>6,565,676</u>	<u>6,055,690</u>
<b>LONG-TERM LIABILITIES</b>		
Deferred rent abatement, net of current portion (Note 5)	87,880	87,473
Annuity payable (Notes 4 and 10)	<u>71,013</u>	<u>96,343</u>
Total long-term liabilities	<u>158,893</u>	<u>183,816</u>
Total liabilities	<u>6,724,569</u>	<u>6,239,506</u>
<b>NET ASSETS</b>		
Unrestricted	7,968,274	7,473,819
Temporarily restricted (Note 6)	3,848,517	5,151,017
Permanently restricted (Note 7)	<u>2,127,043</u>	<u>2,099,997</u>
Total net assets	<u>13,943,834</u>	<u>14,724,833</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 20,668,403</u></b>	<b><u>\$ 20,964,339</u></b>

## NEW ISRAEL FUND

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2013**

	2014			2013	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
<b>REVENUE</b>					
Contributions (Note 8)	\$ 25,820,628	\$ 3,311,960	\$ 100	\$ 29,132,688	\$ 26,964,848
Special events	549,367	-	-	549,367	798,319
Other revenue	91,852	-	-	91,852	637,022
Net assets released from donor restrictions (Note 6)	<u>4,590,301</u>	<u>(4,590,301)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>31,052,148</u>	<u>(1,278,341)</u>	<u>100</u>	<u>29,773,907</u>	<u>28,400,189</u>
<b>EXPENSES</b>					
Program Services:					
Grants and Shatil	20,041,235	-	-	20,041,235	21,901,762
Other Programs	<u>3,732,907</u>	<u>-</u>	<u>-</u>	<u>3,732,907</u>	<u>3,607,601</u>
Total program services	<u>23,774,142</u>	<u>-</u>	<u>-</u>	<u>23,774,142</u>	<u>25,509,363</u>
Supporting Services:					
Management and General	4,285,687	-	-	4,285,687	3,817,101
Fundraising	<u>2,997,975</u>	<u>-</u>	<u>-</u>	<u>2,997,975</u>	<u>2,902,385</u>
Total supporting services	<u>7,283,662</u>	<u>-</u>	<u>-</u>	<u>7,283,662</u>	<u>6,719,486</u>
Total expenses	<u>31,057,804</u>	<u>-</u>	<u>-</u>	<u>31,057,804</u>	<u>32,228,849</u>
Change in net assets before other items	<u>(5,656)</u>	<u>(1,278,341)</u>	<u>100</u>	<u>(1,283,897)</u>	<u>(3,828,660)</u>
<b>OTHER ITEMS</b>					
Investment income (Note 2)	500,111	2,787	-	502,898	1,003,542
Transfer of assets (Note 7)	<u>-</u>	<u>(26,946)</u>	<u>26,946</u>	<u>-</u>	<u>-</u>
Total other items	<u>500,111</u>	<u>(24,159)</u>	<u>26,946</u>	<u>502,898</u>	<u>1,003,542</u>
Change in net assets	494,455	(1,302,500)	27,046	(780,999)	(2,825,118)
Net assets at beginning of year	<u>7,473,819</u>	<u>5,151,017</u>	<u>2,099,997</u>	<u>14,724,833</u>	<u>17,549,951</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 7,968,274</u></b>	<b><u>\$ 3,848,517</u></b>	<b><u>\$ 2,127,043</u></b>	<b><u>\$ 13,943,834</u></b>	<b><u>\$ 14,724,833</u></b>

## NEW ISRAEL FUND

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2013**

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (780,999)	\$ (2,825,118)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	176,427	152,710
Unrealized gain on investments	(562,295)	(913,788)
Realized loss (gain)	89,994	(81,896)
Gain on disposal of fixed assets	-	(72)
Bad debt expense	45,419	-
Contributions restricted for permanently restricted net assets	(100)	(354)
(Increase) decrease in:		
Pledges receivable	319,367	1,238,422
Bequest receivable	2,400,000	(2,400,000)
Accounts receivable	(114,719)	153,004
Prepaid expenses	(12,802)	5,700
Deposits	(3,048)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	136,954	161,706
Grants payable	379,538	(1,564,690)
Annuity payable	(31,836)	(16,314)
Deferred rent abatement	<u>407</u>	<u>16,322</u>
Net cash provided (used) by operating activities	<u>2,042,307</u>	<u>(6,074,368)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of furniture and equipment	(81,790)	(141,895)
Net proceeds from sale of investments	<u>136,669</u>	<u>2,870,621</u>
Net cash provided by investing activities	<u>54,879</u>	<u>2,728,726</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contributions restricted for permanently restricted net assets	<u>100</u>	<u>354</u>
Net cash provided by financing activities	<u>100</u>	<u>354</u>
Net increase (decrease) in cash and cash equivalents	2,097,286	(3,345,288)
Cash and cash equivalents at beginning of year	<u>5,948,327</u>	<u>9,293,615</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 8,045,613</u></b>	<b><u>\$ 5,948,327</u></b>

**SUPPLEMENTAL INFORMATION**

<b>Stock Contributions</b>	<b><u>\$ 1,371,323</u></b>	<b><u>\$ 905,323</u></b>
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See accompanying notes to financial statements.



**NEW ISRAEL FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**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. The New Israel Fund-Israel (NIF - Israel) office was organized in the United States and registered in Israel as a foreign company in accordance with the Company Ordinance, 1929, on April 22, 1980. Included in the accompanying financial statements are the amounts from financial statements for the NIF - Israel office, that were audited by other auditors, whose reports have been furnished to us. At December 31, 2014, the audited financial statements of the NIF - Israel office have been combined with the accounts of NIF. All intercompany transactions between the office in D.C. and Israel have been eliminated during combination.

Basis of presentation -

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

The 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 NIF's financial statements for the year ended December 31, 2013, from which the summarized information was derived.

Cash and cash equivalents -

NIF considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents with the exception of cash equivalents of \$551,631 which is held in the investment portfolio.

Included in cash is cash held as collateral for their currency exchange hedge with Morgan Stanley.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, NIF maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Cash held in the foreign country in the amount of \$2,060,399 is uninsured. Management believes the risk in this situation to be minimal.

Foreign operations -

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

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 Statement of Activities and Change in Net Assets.

## NEW ISRAEL FUND

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2014

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

##### 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. The cost of maintenance and repairs is recorded as expenses are incurred.

##### Pledges receivable -

Outstanding pledges at December 31, 2014 are for the general support of NIF and for donor-advised gifts. Management has established an allowance for doubtful accounts in the amount of \$58,780 at December 31, 2014.

##### Accounts receivable and bequest receivable -

Accounts receivable and bequest receivable are stated at their net realizable value, which approximates fair value. Management considers all accounts to be collectible.

##### Investments -

Investments are recorded at their readily determinable fair value. Interest and dividend income is recorded as revenue when earned. Realized and unrealized gains and losses from investments are included in investment income, which are reflected in the Statement of Activities and Change in Net Assets.

##### 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 New Israel Fund 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 NIF and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the 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 NIF. Investment earnings are utilized for programs or operations depending on donor intent.

##### 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.

##### Grant expenses -

Core grants and donor advised grants are recorded as expenses and grants payable at the time the Board approves the specific grant.

## NEW ISRAEL FUND

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2014

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

##### Uncertain tax positions -

For the year ended December 31, 2014, NIF has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

##### Contributions -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor. Temporarily restricted contributions and grants 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. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

##### Functional allocation of expenses -

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

##### Use of estimates -

The preparation of the 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.

##### Risks and uncertainties -

NIF invests 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 measurement -

NIF adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 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. NIF accounts for a significant portion of their financial instruments at fair value or considers fair value in their measurement.

NEW ISRAEL FUND

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

2. INVESTMENTS

The investments are recorded at their readily determinable fair value, which approximates fair value. Investments at December 31, 2014 are as follows:

Money market funds	\$ 551,631
Mutual funds	3,153,095
Securities	200,384
Bonds	675,966
Alternative investments	<u>4,775,803</u>
<b>TOTAL INVESTMENTS</b>	<b><u>\$ 9,356,879</u></b>

Included in the investment portfolio under alternative investments is an ownership in Global Endowment Management. At December 31, 2014, there was \$4,775,803 in the portfolio and \$250,000 in transit. For the year ended December 31, 2014, there were no uncalled commitments or lock-up periods.

Included in investments is the fair value of their split interest agreements in the amount of \$1,063,488 (see Note 4).

Investment income for the year ended December 31, 2014 consisted of the following:

Unrealized gain	\$ 562,295
Realized loss	(89,994)
Interest and dividends, net of fees	<u>30,597</u>
<b>TOTAL INVESTMENT INCOME</b>	<b><u>\$ 502,898</u></b>

3. PLEDGES RECEIVABLE

Pledges receivable are stated at their net realizable value which approximates fair 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 that are long-term have been discounted using an interest rate of 3.25%.

Following is a summary of maturities of pledges receivable at December 31, 2014:

Year Ending December 31, 2015	\$ 2,616,406
Less: Reserve for uncollectible grants	<u>58,780</u>
<b>PLEDGES RECEIVABLE, NET</b>	<b><u>\$ 2,557,626</u></b>

4. SPLIT INTEREST AGREEMENTS

NIF's split interest agreements with donors consist of Charitable Gift Annuities. 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 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

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2014

#### 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 discount are recorded as increases or decreases in the respective net asset class in the Statement of Activities and Change in Net Assets. For the year ended December 31, 2014, the fair market value of the gift annuities included in investments totaled \$997,397 and the net present value of the related annuity payable totaled \$96,343, of which \$25,330 and \$71,013 are recorded as a current liability and long-term liability, respectively.

#### 5. LEASE COMMITMENTS

NIF entered into a sublease agreement for office space in Washington, D.C., commencing April 1, 2011 and expiring April 29, 2019. The sublease agreement specified that annual rent will be \$186,189, with annual escalation increases agreed upon by both parties and stipulated in the lease agreement. NIF sub-leased a portion of the subleased office space for a term concurrent to the sublease lease term. The sub-sublease agreement specified that annual rent will be \$61,216, with annual escalation increases agreed upon by both parties and stipulated in the lease agreement.

NIF entered into an office lease in New York, New York, commencing February 1, 2004 and expiring June 30, 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. On November 15, 2011, NIF amended the lease to acquire additional space which expires on June 30, 2015. The modified lease agreement increased the annual rent by \$61,382, with annual adjustment agreed upon by both parties and stipulated in the lease agreement.

On March 19th, 2015, NIF signed a new lease agreement for office space in New York, New York. The term of the lease is ten years and begins on July 1, 2015. Base year rent is \$190,035. The lease includes an annual 3% increase. NIF is also responsible for its proportionate share of building operating costs each year.

NIF entered into a sublease agreement for office space in Boston, Massachusetts, which commenced on July 1, 2011 and expired on June 30, 2012. NIF entered into a new office lease agreement in Newton, Massachusetts, commencing June 1, 2011 and expiring May 31, 2015.

NIF entered into an office lease in San Francisco, California, commencing November 1, 2011 and expiring October 31, 2016. The lease agreement specified that annual rent will be \$44,820, with an annual adjustment agreed upon by both parties and stipulated in the lease agreement.

NIF entered into several office leases located in New Jersey and Israel, expiring in 2013 through 2016.

NIF entered into a lease for office space in Los Angeles, California. The lease commences on January 1, 2015 and expires on December 31, 2021. The lease agreement specified that annual rent will be \$36,569, with annual escalations.

In accordance with accounting principles generally accepted in the United States of America, rent expense should be recognized on a straight-line basis over the term of the lease agreement. At December 31, 2014, deferred rent was \$91,525, which is included in the Statement of Financial Position.

Rent expense for the year ended December 31, 2014 was \$793,713.

**NEW ISRAEL FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**5. LEASE COMMITMENTS (Continued)**

Future minimum lease payments are as follows at December 31, 2014:

<u>Year Ending December 31,</u>	
2015	\$ 802,081
2016	549,223
2017	465,000
2018	481,290
2019	328,279
Thereafter	<u>1,325,435</u>
	<b><u>\$ 3,951,308</u></b>

NIF entered into three sublease agreements. The future minimum sublease payments to be received are as follows at December 31, 2014:

<u>Year Ending December 31,</u>	
2015	\$ 78,926
2016	85,763
2017	88,713
2018	83,782
2019	<u>27,121</u>
	<b><u>\$ 364,305</u></b>

Rental income in the amount of \$68,198 is netted against rent expense and allocated to the various cost centers in the Statement of Activities and Change in Net Assets.

**6. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consisted of the following at December 31, 2014:

Programs and projects - NIF-U.S.	\$ 2,086,354
Programs and projects - NIF-Israel	<u>1,762,163</u>
<b>TOTAL TEMPORARILY RESTRICTED NET ASSETS</b>	<b><u>\$ 3,848,517</u></b>

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 - NIF-U.S.	\$ 2,852,953
Programs and projects - NIF-Israel	<u>1,737,348</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 4,590,301</u></b>

**7. 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 Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**7. 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 UPMIFA.

In accordance with UPMIFA, 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, 2014, permanently restricted endowment funds that are required to be retained permanently either by explicit donor stipulation or by UPMIFA totaled \$2,127,043; the income from which is expendable to support grants and projects.

Changes in endowment net assets for the year ended December 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 91,611	\$ 2,099,997	\$ 2,191,608
Net appreciation of investments	-	77,862	-	77,862
Contributions	-	-	100	100
Appropriation of endowment assets for expenditure	-	(91,611)	-	(91,611)
Other changes: Transfer of assets	<u>-</u>	<u>-</u>	<u>26,946</u>	<u>26,946</u>
<b>ENDOWMENT NET ASSETS, END OF YEAR</b>	<b><u>\$ -</u></b>	<b><u>\$ 77,862</u></b>	<b><u>\$ 2,127,043</u></b>	<b><u>\$ 2,204,905</u></b>

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 UPMIFA requires the organization to retain as fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature as of December 31, 2014.

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.

## NEW ISRAEL FUND

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2014

#### 7. ENDOWMENT (Continued)

Return Objectives and Risk Parameters (continued) -

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.

Transfer of assets -

During the year ended December 31, 2014, NIF transferred funds from two donors that were previously recorded as temporarily restricted net assets. After reviewing the award letters, management determined that these funds were permanent in nature.

#### 8. AGREEMENTS WITH AFFILIATES

NIF entered into agreements with the N.I.F. Canadian Charitable Trust (NIFC) and the New Israel Fund in Great Britain (NIFGB) whereby NIF acts as their agent in supporting certain projects and making certain grants in Israel.

#### 9. PENSION PLAN

NIF - U.S. 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. The actual percentage for the year ended December 31, 2014 was two percent. Pension expense for the year ended December 31, 2014 was \$72,915.

#### 10. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, NIF has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy.



**NEW ISRAEL FUND**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

**10. FAIR VALUE MEASUREMENT (Continued)**

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 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 NIF has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2014.

- *Money market funds* - The fair value is equal to the reported net asset value of the fund.
- *Mutual funds, securities* - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- *Bonds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Interests in hedge funds, limited partnerships, private equity funds* - These instruments do not have a readily determinable fair value. The fair values used are generally determined by the general partner or management of the entity and are based on appraisals or other estimates that require varying degrees of judgment. Inputs used in determining fair value may include the cost and recent activity concerning the underlying investments in the funds or partnerships.
- *Annuities payable* - These liabilities are carried at actuarial determined present values which approximate current value.

The table below summarizes, by level within the fair value hierarchy, NIF's investments as of December 31, 2014:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Asset Class:</b>				
Money market funds	\$ 551,631	\$ -	\$ -	\$ 551,631
Mutual funds	3,153,095	-	-	3,153,095
Securities	200,384	-	-	200,384
Bonds	675,966	-	-	675,966
Alternative investments	<u>-</u>	<u>-</u>	<u>4,775,803</u>	<u>4,775,803</u>
Total investments	4,581,076	-	4,775,803	9,356,879
<b>Liability Class:</b>				
Annuity payable	<u>-</u>	<u>96,343</u>	<u>-</u>	<u>96,343</u>
<b>TOTAL</b>	<b><u>\$ 4,581,076</u></b>	<b><u>\$ 96,343</u></b>	<b><u>\$ 4,775,803</u></b>	<b><u>\$ 9,453,222</u></b>

**NEW ISRAEL FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

**10. FAIR VALUE MEASUREMENT (Continued)**

**Level 3 Financial Assets**

The following table provides a summary of changes in fair value of New Israel Fund's financial assets for the year ended December 31, 2014:

	<b><u>Investments</u></b>
Beginning balance as of December 31, 2013	\$ 7,408,640
Unrealized and realized gains	582,734
Purchases/Distributions	<u>(3,215,571)</u>
<b>BALANCE AS OF DECEMBER 31, 2014</b>	<b><u>\$ 4,775,803</u></b>

**11. SEVERANCE**

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.

The designated funds reflect amounts deposited in a central severance pay fund.

The balance presented in the NIF - Israel Statement of Financial Position 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.

The fund has an accrued severance liability of \$160,397 payable to the Executive Director upon termination of employment.

**12. SUBSEQUENT EVENTS**

In preparing these financial statements, the New Israel Fund has evaluated events and transactions for potential recognition or disclosure through July 6, 2015, the date the financial statements were issued.

## **SUPPLEMENTAL INFORMATION**

**NEW ISRAEL FUND**

**COMBINING SCHEDULE OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2014**

**ASSETS**

	<u>New Israel Fund - U.S.</u>	<u>New Israel Fund - Israel Office</u>	<u>Total New Israel Fund</u>	<u>Eliminations</u>	<u>Combined</u>
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 5,985,214	\$ 2,060,399	\$ 8,045,613	\$ -	\$ 8,045,613
Investments	8,467,814	889,065	9,356,879	-	9,356,879
Pledges receivable, current portion, net of allowance for doubtful accounts of \$58,780 in 2014	1,820,033	737,593	2,557,626	-	2,557,626
Accounts receivable	129,079	12,276	141,355	-	141,355
Prepaid expenses	56,028	17,378	73,406	-	73,406
Due from NIF - U.S.	<u>-</u>	<u>150,313</u>	<u>150,313</u>	<u>(150,313)</u>	<u>-</u>
Total current assets	<u>16,458,168</u>	<u>3,867,024</u>	<u>20,325,192</u>	<u>(150,313)</u>	<u>20,174,879</u>
<b>FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS</b>					
Furniture and equipment	89,708	1,963,333	2,053,041	-	2,053,041
Leasehold improvements	<u>110,706</u>	<u>-</u>	<u>110,706</u>	<u>-</u>	<u>110,706</u>
	200,414	1,963,333	2,163,747	-	2,163,747
Less: Accumulated depreciation and amortization	<u>(256,904)</u>	<u>(1,501,285)</u>	<u>(1,758,189)</u>	<u>-</u>	<u>(1,758,189)</u>
Net furniture, equipment and leasehold improvements	<u>(56,490)</u>	<u>462,048</u>	<u>405,558</u>	<u>-</u>	<u>405,558</u>
<b>OTHER ASSETS</b>					
Deposits	<u>87,966</u>	<u>-</u>	<u>87,966</u>	<u>-</u>	<u>87,966</u>
Total other assets	<u>87,966</u>	<u>-</u>	<u>87,966</u>	<u>-</u>	<u>87,966</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 16,489,644</u></b>	<b><u>\$ 4,329,072</u></b>	<b><u>\$ 20,818,716</u></b>	<b><u>\$ (150,313)</u></b>	<b><u>\$ 20,668,403</u></b>

## 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>Eliminations</u>	<u>Combined</u>
<b>CURRENT LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 840,497	\$ 1,069,638	\$ 1,910,135	\$ -	\$ 1,910,135
Grants payable	4,603,557	23,009	4,626,566	-	4,626,566
Due from NIF - Israel	150,313	-	150,313	(150,313)	-
Annuity payable, current portion	25,330	-	25,330	-	25,330
Deferred rent abatement	<u>3,645</u>	<u>-</u>	<u>3,645</u>	<u>-</u>	<u>3,645</u>
Total current liabilities	<u>5,623,342</u>	<u>1,092,647</u>	<u>6,715,989</u>	<u>(150,313)</u>	<u>6,565,676</u>
<b>LONG-TERM LIABILITIES</b>					
Deferred rent abatement, net of current portion	87,880	-	87,880	-	87,880
Annuity payable	<u>71,013</u>	<u>-</u>	<u>71,013</u>	<u>-</u>	<u>71,013</u>
Total long-term liabilities	<u>158,893</u>	<u>-</u>	<u>158,893</u>	<u>-</u>	<u>158,893</u>
Total liabilities	<u>5,782,235</u>	<u>1,092,647</u>	<u>6,874,882</u>	<u>(150,313)</u>	<u>6,724,569</u>
<b>NET ASSETS</b>					
Unrestricted	6,494,012	1,474,262	7,968,274	-	7,968,274
Temporarily restricted	2,086,354	1,762,163	3,848,517	-	3,848,517
Permanently restricted	<u>2,127,043</u>	<u>-</u>	<u>2,127,043</u>	<u>-</u>	<u>2,127,043</u>
Total net assets	<u>10,707,409</u>	<u>3,236,425</u>	<u>13,943,834</u>	<u>-</u>	<u>13,943,834</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 16,489,644</u></b>	<b><u>\$ 4,329,072</u></b>	<b><u>\$ 20,818,716</u></b>	<b><u>\$ (150,313)</u></b>	<b><u>\$ 20,668,403</u></b>

## NEW ISRAEL FUND

COMBINING SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>New Israel Fund - U.S.</u>	<u>New Israel Fund - Israel Office</u>	<u>Total New Israel Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>UNRESTRICTED REVENUE</b>					
Contributions	\$ 22,892,756	\$ 2,927,872	\$25,820,628	\$ -	\$25,820,628
Income to Israel	-	7,956,173	7,956,173	(7,956,173)	-
Special events	549,367	-	549,367	-	549,367
Other revenue	390	91,462	91,852	-	91,852
Net assets released from donor restrictions	<u>2,852,953</u>	<u>2,616,396</u>	<u>5,469,349</u>	<u>(879,048)</u>	<u>4,590,301</u>
Total unrestricted revenue	<u>26,295,466</u>	<u>13,591,903</u>	<u>39,887,369</u>	<u>(8,835,221)</u>	<u>31,052,148</u>
<b>EXPENSES</b>	<u>27,137,355</u>	<u>12,755,670</u>	<u>39,893,025</u>	<u>(8,835,221)</u>	<u>31,057,804</u>
Change in unrestricted net assets before other item	(841,889)	836,233	(5,656)	-	(5,656)
Investment income	<u>500,111</u>	<u>-</u>	<u>500,111</u>	<u>-</u>	<u>500,111</u>
Change in unrestricted net assets	<u>(341,778)</u>	<u>836,233</u>	<u>494,455</u>	<u>-</u>	<u>494,455</u>
<b>TEMPORARILY RESTRICTED REVENUE</b>					
Contributions	1,781,784	2,409,224	4,191,008	(879,048)	3,311,960
Net assets released from donor restrictions	<u>(2,852,953)</u>	<u>(2,616,396)</u>	<u>(5,469,349)</u>	<u>879,048</u>	<u>(4,590,301)</u>
Total temporarily restricted net assets before other items	(1,071,169)	(207,172)	(1,278,341)	-	(1,278,341)
Investment (loss) income	77,862	(75,075)	2,787	-	2,787
Transfer of assets	<u>(26,946)</u>	<u>-</u>	<u>(26,946)</u>	<u>-</u>	<u>(26,946)</u>
Change in temporarily restricted net assets	<u>(1,020,253)</u>	<u>(282,247)</u>	<u>(1,302,500)</u>	<u>-</u>	<u>(1,302,500)</u>
<b>PERMANENTLY RESTRICTED REVENUE</b>					
Contributions	100	-	100	-	100
Transfer of assets	<u>26,946</u>	<u>-</u>	<u>26,946</u>	<u>-</u>	<u>26,946</u>
Change in permanently restricted net assets	<u>27,046</u>	<u>-</u>	<u>27,046</u>	<u>-</u>	<u>27,046</u>
<b>TOTAL CHANGE IN NET ASSETS</b>	<u>\$ (1,334,985)</u>	<u>\$ 553,986</u>	<u>\$ (780,999)</u>	<u>\$ -</u>	<u>\$ (780,999)</u>

## NEW ISRAEL FUND

COMBINING SCHEDULE OF CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	New Israel Fund - U.S.	New Israel Fund - Israel Office	Total New Israel Fund	Eliminations	Total
<b>UNRESTRICTED NET ASSETS</b>					
Net assets at beginning of year	\$ 6,835,790	\$ 638,029	\$ 7,473,819	\$ -	\$ 7,473,819
Change in unrestricted net assets	<u>(341,778)</u>	<u>836,233</u>	<u>494,455</u>	<u>-</u>	<u>494,455</u>
<b>UNRESTRICTED NET ASSETS AT END OF YEAR</b>	<b><u>\$ 6,494,012</u></b>	<b><u>\$ 1,474,262</u></b>	<b><u>\$ 7,968,274</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 7,968,274</u></b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>					
Net assets at beginning of year	\$ 3,106,607	\$ 2,044,410	\$ 5,151,017	\$ -	\$ 5,151,017
Change in temporarily restricted net assets	<u>(1,020,253)</u>	<u>(282,247)</u>	<u>(1,302,500)</u>	<u>-</u>	<u>(1,302,500)</u>
<b>TEMPORARILY RESTRICTED NET ASSETS AT END OF YEAR</b>	<b><u>\$ 2,086,354</u></b>	<b><u>\$ 1,762,163</u></b>	<b><u>\$ 3,848,517</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,848,517</u></b>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>					
Net assets at beginning of year	\$ 2,099,997	\$ -	\$ 2,099,997	\$ -	\$ 2,099,997
Change in permanently restricted net assets	<u>27,046</u>	<u>-</u>	<u>27,046</u>	<u>-</u>	<u>27,046</u>
<b>PERMANENTLY RESTRICTED NET ASSETS AT END OF YEAR</b>	<b><u>\$ 2,127,043</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,127,043</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,127,043</u></b>
<b>TOTAL NET ASSETS AT END OF YEAR</b>	<b><u>\$ 10,707,409</u></b>	<b><u>\$ 3,236,425</u></b>	<b><u>\$ 13,943,834</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 13,943,834</u></b>

**NEW ISRAEL FUND**  
**SCHEDULE OF GRANTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>GRANTEE/VENDOR NAME</b>	<b>Opening Grant Balance as of 1/1/2014</b>	<b>Year to Date Grant Authorized (Jan-Dec)</b>	<b>Year to Date Grant Paid (Jan-Dec)</b>	<b>Closing Grant Balance 12/31/2014</b>
12 Heshvan: Promoting Tolerance in an Orthodox Context	\$ 31,500	\$ 102,164	\$ 111,664	\$ 22,000
A New Dawn	-	300	300	-
A New Way	-	66,419	66,419	-
A Place for All - Promoting Social Inclusion	-	5,000	5,000	-
Adalah: Legal Center for Arab Minority Rights in Israel	158,250	201,022	237,772	121,500
Adam Institute for Democracy and Peace	-	3,000	3,000	-
Adam Teva v'Din: Israel Union for Environmental Defense	3,600	94,800	96,600	1,800
Adva Center	72,351	220,856	221,257	71,950
Adva Center - Haoketz	12,500	27,600	27,600	12,500
African Refugees Development Center (ARDC)	-	43,469	38,469	5,000
Agenda - The Israeli Center for Strategic Communication	60,000	183,716	201,166	42,550
AHD: Association of Academics for the Development of Arab Society in the Negev	-	70,000	70,000	-
Ahuzat Negev	16,500	22,000	30,500	8,000
Ajeec-Nisped	21,100	307,072	222,332	105,840
Al Amar	12,500	2,500	15,000	-
Aljana - Center for Cultural and Social Development	7,500	2,000	7,500	2,000
All for Peace	-	6,678	6,678	-
Almuntada Altakadomi	7,500	-	-	7,500
Alrafah	-	30,000	17,500	12,500
Alsirag	25,000	40,000	-	65,000
Alumot- the center for the organizations of people	-	20,138	20,138	-
Amnesty International Israel	500	-	500	-
Arava Institute for Environmental Studies	-	3,000	1,000	2,000
Arous Elbahr for the Woman in Jaffa	-	30,818	30,818	-
Asaf	-	15,295	15,295	-
Association for Civil Rights in Israel (ACRI)	275,918	875,965	873,684	278,199
Association for the Promotion of the Arab Education System in Haifa	-	15,000	-	15,000
Association of Bedouin Women to Promote Education	20,000	45,195	65,195	-
Association of Rape Crisis Centers	4,360	4,000	4,360	4,000
Association to Promote Cultural Education in Kfar	-	20,000	10,000	10,000
ATID BAMIDBAR	10,000	18,000	18,000	10,000
Awareness for You	-	34,900	34,900	-
AWC – Arab Women in the Center	15,638	41,168	53,806	3,000
Baladna	-	25,000	25,000	-
Bat- Kol, Queer Jewish Women	-	23,000	13,000	10,000
Bat Shalom	30	-	-	30
Be'er Sova	7,500	15,000	15,000	7,500
Be Free Israel	70,000	223,994	144,873	149,121
Beit Tikvat Em Habanim Smechah	17,050	17,000	25,550	8,500
Bimat Kedem	14,000	(14,000)	-	-
Bimkom: Planners for Planning Rights	20,000	177,000	102,000	95,000
Bina (at Merchavim Chevra Lechinuch Vetarbut)	42,100	134,289	127,639	48,750
Bizchut: Center for Human Rights of Persons with Disabilities	25,100	175,753	163,988	36,865
Breaking the Silence	42,173	138,882	85,282	95,773
B'Tselem	48,801	276,271	203,295	121,777
Center for American Progress	-	25,000	25,000	-
Center for Jewish-Arab Economic Development	-	38,945	33,695	5,250
Center for Women's Justice	10,000	56,300	66,300	-
Challenge	20,000	32,100	30,000	22,100



**NEW ISRAEL FUND**

**SCHEDULE OF GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>GRANTEE/VENDOR NAME</b>	<b>Opening Grant Balance as of 1/1/2014</b>	<b>Year to Date Grant Authorized (Jan-Dec)</b>	<b>Year to Date Grant Paid (Jan-Dec)</b>	<b>Closing Grant Balance 12/31/2014</b>
CIMI - Center for International Migration and Integration	\$ -	\$ 1,000	\$ 1,000	\$ -
Citizens for the Environment in the Galilee	20,000	-	20,000	-
Combatants for Peace	-	5,000	5,000	-
Community Advocacy: Genesis Israel	250	-	250	-
Council for Peace and Security	-	272,000	222,000	50,000
Counseling Center for Women	-	10,000	10,000	-
Darna- Jaffa Popular Committee for Land Allocation and Housing	-	30,000	18,750	11,250
Democracy Defense Fund LTD (Sheikh Jarrah Solidarity Movement)	15,000	(15,000)	-	-
Economic Empowerment for Women	10,000	11,000	10,000	11,000
Ein-Bustan	8,500	18,492	26,992	-
Elbir	-	10,000	10,000	-
Elintamaa Wilamal	-	65,000	33,000	32,000
El-Sabar Association	10,000	9,500	19,500	-
Elul Center	-	4,413	4,413	-
Emek Shaveh	-	400	-	400
Entimaa & Ataa- Association for Social Promotion	25,000	-	-	25,000
Equal Opportunity for Ethiopian Jews in Israel	600	-	-	600
Eretz Acheret: A Different Land	-	4,385	4,385	-
Eritrean Women's Community Center	-	4,680	4,500	180
Etgarim Isl Outdoor Sports and Rec	1,000	500	1,000	500
Fidel: Association for Education and Social Integration of Ethiopian Jews	100,000	157,486	119,869	137,617
Fishka - Young Russian Speakers Community in Israel	17,500	35,000	41,500	11,000
Follow-Up Committee for Arab Education	-	30,000	15,000	15,000
Follow-Up Committee for Arab Education- Hiram	5,000	-	5,000	-
Forum for Immigrant Families in the North	5,000	14,000	9,000	10,000
Forum of Directors of Social Welfare Departments Serving the Arab Population	-	20,000	12,500	7,500
Freddie Krivine Foundation	1,550	16,302	17,852	-
Friends by Nature - Community Empowerment	7,500	720	8,220	-
Friends of Kedma School	-	691,130	671,130	20,000
Gesher Hinuchi	-	9,000	9,000	-
Gesher Multicultural Film Fund	-	25,000	-	25,000
Gisha Center for the Legal Protection of Freedom of Movement	12,175	44,491	46,766	9,900
Givat Haviva Jewish-Arab Center for Peace	700	2,680	3,380	-
Grants Declared	55,401	524,400	-	579,801
Green Course (Megama Yeruka)	3,000	34,870	16,070	21,800
Ha'Amuta Le-Kidom Hasport Hameshutaf Mevaseret-Abu-Gosh	-	6,300	5,800	500
Hagar-Jewish-Arab Education for Equality	99,750	59,648	150,247	9,151
Haifa Women's Crisis Shelter	-	50	-	50
Hakol Hinuch	12,500	(12,500)	-	-
HaMoked: Center for Defense of the Individual	1,000	31,400	31,300	1,100
Hand in Hand: Center for Jewish-Arab Education in Israel	5,000	134,721	19,720	120,001
Hazit Ha'Kavod (Immigrant Scientists Association)	7,500	-	7,500	-
Hebrew University of Jerusalem	45,000	25,000	70,000	-
Hiddush For Religious Freedom and Equality	7,500	23,000	20,500	10,000
HILA-Israel Committee for Equality in Education	-	3,000	-	3,000

**NEW ISRAEL FUND**

**SCHEDULE OF GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>GRANTEE/VENDOR NAME</b>	<b>Opening Grant Balance as of 1/1/2014</b>	<b>Year to Date Grant Authorized (Jan-Dec)</b>	<b>Year to Date Grant Paid (Jan-Dec)</b>	<b>Closing Grant Balance 12/31/2014</b>
Hillel: Association for Jews Leaving Ultra-Orthodoxy	\$ 2,500	\$ 5,836	\$ 3,336	\$ 5,000
Hiyot	-	20,336	20,336	-
Hoshen- Education and Change	12,794	54,500	41,294	26,000
Hotline for Migrant Workers	59,115	400	59,515	-
Hotline for Refugees and Migrants	-	89,235	35,235	54,000
Human Rights Defenders Fund (HRDF)	32,000	91,300	123,300	-
Humans Without Borders	-	3,000	-	3,000
I'lam: Media Center for Arab Palestinians in Israel	-	5,000	5,000	-
ICAR	-	15,000	15,000	-
INJAZ	200,000	180,000	250,000	130,000
Institute for Excellence in the Humanities	-	10,000	10,000	-
Interfaith Encounter Association	-	2,227	2,227	-
Inter-Religious Coordinating Council	750	1,130	1,130	750
IPCRI - Israel Palestinian Center for Research and Information	7,000	2,459	9,459	-
Ir-Amim	32,500	146,978	114,478	65,000
Isha L'Isha: Haifa Feminist Organization	200	60,100	60,300	-
Israel AIDS Task Force	-	129	129	-
Israel Family Planning Association	25,000	25,000	25,000	25,000
Israel Story	-	75,000	75,000	-
Israel Womens Network (IWN)	-	27,126	27,126	-
Israeli Association for Ethiopian Jews (IAEJ)	52,700	101,450	106,450	47,700
Israeli Gay Youth Organization	1,625	13,500	-	15,125
Israeli Human Rights Organization of People with Disabilities	13,000	26,000	26,000	13,000
Jamaah Leadership Dev Comm Em	5,000	-	5,000	-
Jasmine- Promoting Jewish and Arab businesswomen	-	25,000	12,500	12,500
Jerusalem Inter-Cultural Center (JICC) and Emun Hatzibur	10,000	20,000	10,000	20,000
Jerusalem Open House for Pride and Tolerance	5,300	145,100	98,200	52,200
Jerusalem Venture Partners JVP Community	50,000	-	50,000	-
Jewish Nature	-	10,000	-	10,000
Kaima - Social and Environmental Action Learning	-	484	-	484
Karev for Involvement in Education	-	30,000	20,000	10,000
Kav Mashve – Employers' Coalition for Arab University Graduates	40,000	133,682	163,682	10,000
Kayan ("Being")	-	25,000	-	25,000
Kefa For Social Change In The Negev	-	29,000	29,000	-
Kehilat Shira Chadasha	6,800	204	7,004	-
Ken We Power	2,500	1,000	3,500	-
Keren Kagan	-	7,921	7,921	-
Kesher: Information, Guidance, and Counseling Center for Parents	-	89,458	89,458	-
Kiah (Mimizrach Shemesh)	60,000	286,657	198,557	148,100
Kol Ha'Isha: Jerusalem Women's Center	17,700	9,976	27,176	500
Kol Haneshama	-	10,923	-	10,923
Kol Zchut (Wikirights)	25,500	40,004	45,504	20,000
Kolot	10,000	-	10,000	-
Krembo Wings	-	33,558	33,558	-
Ladaat - Choose Well	-	45,000	40,000	5,000
Lagiya: Association for the Improvement of the Status of Women	3,000	72,614	75,614	-
Lasova	180	-	180	-
Latet	500	6,100	-	6,600
Life and Environment	-	3,000	3,000	-

**NEW ISRAEL FUND**

**SCHEDULE OF GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>GRANTEE/VENDOR NAME</b>	<b>Opening Grant Balance as of 1/1/2014</b>	<b>Year to Date Grant Authorized (Jan-Dec)</b>	<b>Year to Date Grant Paid (Jan-Dec)</b>	<b>Closing Grant Balance 12/31/2014</b>
Lilach: Israel Society	\$ -	\$ 250	\$ -	\$ 250
Loshma'a for the Integration of People with Mental Disabilities	20,000	40,000	20,000	40,000
Ma'an - The Forum for Bedouin Women's Organizations	20,000	-	20,000	-
Ma'arag-for the Advancement Of Education in a Multicultural Society	-	16,307	16,307	-
Mabat – Awareness in a Multi-Cultural Society	-	130,000	130,000	-
Mahapach: Education, Housing, and Livelihood	42,500	71,465	91,465	22,500
Mahut Center	7,500	(7,500)	-	-
Matnasmerhavim Community Center	-	6,100	-	6,100
Mavoi Satum ("Dead End")	17,500	48,000	45,500	20,000
MEET – Middle East Education through Technology	-	9,190	9,190	-
Meitarei Ashkelon	9,000	10,000	19,000	-
Merchavim: Institute for Multicultural and Democratic Education for Israel	58,000	135,000	143,000	50,000
Merkaz Hashachar - Kibbutz K'tura	-	4,520	4,402	118
Mira Menashe	3,500	-	-	3,500
Mitvim - The Israeli Institute for Regional Foreign Policies	10,000	25,000	35,000	-
Molad – The Center for the Renewal of Democracy	85,000	616,000	490,500	210,500
Mossawa	20,000	200,000	123,750	96,250
Nachal Novea (Elisheva Mirvis)	-	8,000	8,000	-
National Council for the Child	-	29,461	17,702	11,759
Nazareth Nurseries Institute (Al-Tufula)	-	5,000	5,000	-
Ne'emanei Torah Va'Avodah	26,000	59,394	61,600	23,794
Negev Coexistence Forum	8	69,861	66,369	3,500
Netivei Ahva: Friendship's Way	4,580	(380)	-	4,200
Neve Shalom Wahat al-Salam (NS WAS)	2,500	2,200	4,700	-
New Discourse (The Democratic Mizrahi Rainbow)	53,000	77,500	82,500	48,000
Nine Seven Two Advancement of Citizen Journalism	24,000	54,120	39,364	38,756
Noar Kahalcha	15,000	30,000	35,000	10,000
Olim Beyachad	12,500	35,000	47,500	-
Oranim: Hamidrasha Center for Study Fellowship	-	20,000	10,000	10,000
Ossim Shalom: Social Workers for Peace and Welfare	-	56,000	56,000	-
Our Heritage	35,000	56,000	91,000	-
Oz V'Shalom Netivot Shalom	100	1,190	350	940
OZMA	-	10,000	-	10,000
Panim	12,500	43,294	37,500	18,294
Pardes for Community Development	-	10,000	5,000	5,000
Parents' Circle: Bereaved Parents	2,500	2,807	5,307	-
Physicians for Human Rights	75,200	185,262	220,987	39,475
Poteach Shearim	-	10,000	10,000	-
Public Committee Against Torture(PCATI)	-	5,015	5,015	-
Rabbis for Human Rights	23,894	243,464	183,103	84,255
Rape Crisis Center - Haifa	-	15,000	15,000	-
Rape Crisis Center - Hasharon	20,000	-	20,000	-
Realistic Religious Zionism	1,000	(1,000)	-	-
Religious Women's Forum	22,500	110,445	110,445	22,500
Re'ut – A Religious Pluralistic Community	500	-	-	500
Re'ut Sadaka: Jewish-Arab Youth Movement for Peace and Equality	1,000	27,564	28,564	-
Sandciel Center	-	18,000	6,000	12,000

**NEW ISRAEL FUND**

**SCHEDULE OF GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>GRANTEE/VENDOR NAME</b>	<b>Opening Grant Balance as of 1/1/2014</b>	<b>Year to Date Grant Authorized (Jan-Dec)</b>	<b>Year to Date Grant Paid (Jan-Dec)</b>	<b>Closing Grant Balance 12/31/2014</b>
Sapir College	\$ 25,000	\$ 57,106	\$ 82,106	\$ -
SELAH- Israel Crisis Management Center for New Immigrants	1,500	1,500	1,500	1,500
Shaharit	-	195,000	170,000	25,000
Shalom Hartman Institute	-	10,500	-	10,500
Shilo Pregnancy Advisory Service	5,000	1,325	6,325	-
Shiluv Institute	-	152,000	150,000	2,000
Shluvim-The Association for Edu. Equal Opportunity	-	16,715	16,715	-
Shoulder to Shoulder (Katef le'Katef)	-	16,778	16,778	-
Shvil : Transparency International- Israel	7,500	7,500	15,000	-
Signing Anew	-	75,000	75,000	-
Sikkuy: Israel Association for the Advancement of Equal Opportunity	98,733	132,000	130,733	100,000
Sister for Women in Israel	56,500	147,124	158,244	45,380
Social Development Committee - Haifa	-	5,000	5,000	-
Social Economic Association (SEA)	42,000	34,523	64,000	12,523
Social TV	16,500	4,000	20,500	-
Society for the Advancement of Education, Jerusalem	100	550	-	650
Society for the Protection of Personal Rights	1,800	18,800	18,800	1,800
Summit Institute	-	16,307	16,307	-
Tasfachin	1,800	20,260	22,060	-
Tebeka – Center for Legal Aid & Advocacy for Ethiopian Jewish in Israel	20,050	64,136	64,186	20,000
Tel Aviv Univesity	-	2,000	2,000	-
Terrestrial Jerusalem	-	20,000	10,000	10,000
Tevel B'Tzedek	26,834	70,826	91,160	6,500
The Abraham Fund Initiatives	-	12,550	12,550	-
The Arab Center for Alternative Planning	3,000	-	3,000	-
The Arab Center for Law and Policy - Dirasat	-	30,000	30,000	-
The Committee for Educational Guidance for Arab Students	10,000	35,000	18,750	26,250
The Committee for Language Access of Health Care in Israel	400	200	-	600
The Freedom of Information Association	-	30,000	30,000	-
The Green Environment Fund	113,600	61,033	174,633	-
The Heschel Center for Environmental Learning and Leadership	34,500	180,000	124,500	90,000
The Israel Center for Educational Innovation (ICEI)	580,000	875,000	1,430,000	25,000
The Israeli Association for Distributive Justice	17,500	55,000	53,500	19,000
The Jerusalem Institute for Israel Studies	-	32,500	22,500	10,000
The Masorti Movement	25,000	76,704	64,204	37,500
The Movement for Progressive Judaism (IMPJ)	78,968	332,102	359,570	51,500
The New Israeli Foundation for Cinema and Television	-	50	-	50
The New Israeli Vocal Ensemble	-	36,000	36,000	-
The Rabbi David J. Forman Memorial Fund	6,000	500	6,500	-
The Sky Is The Limit	-	7,000	7,000	-
The Social Guard	-	25,000	25,000	-
The Van Leer Jerusalem Institute	7,500	39,314	46,814	-
The Women's Courtyard	5,000	24,000	14,000	15,000
The Yaacov Herzog Center for Jewish Studies	-	7,000	7,000	-
The Young Israeli Forum for Cooperation (YIFC)	1,250	-	-	1,250
Tirat Carmel Community Foundation (Affordable Housing)	4,750	(4,750)	-	-
Tishreen A Culture Reviving Association - Taybeh	10,000	15,000	25,000	-
T'mura	-	39,000	34,000	5,000

**NEW ISRAEL FUND**

**SCHEDULE OF GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>GRANTEE/VENDOR NAME</b>	<b>Opening Grant Balance as of 1/1/2014</b>	<b>Year to Date Grant Authorized (Jan-Dec)</b>	<b>Year to Date Grant Paid (Jan-Dec)</b>	<b>Closing Grant Balance 12/31/2014</b>
Together Beyond Words	\$ -	\$ 12,795	\$ 12,795	\$ -
Tor Hamidbar	-	91,500	91,500	-
Trust of Programs for Early Childhood, Family, and Community				
Education	20,000	110,000	110,000	20,000
Turning the Tables	-	1,000	-	1,000
Tzeireim Beyerucham	10,000	35,000	35,000	10,000
Tzhei for the sake Elders of Beta Israel	-	2,400	2,400	-
Tzofen	30,000	85,000	115,000	-
Tzofim-israel	-	5,259	5,259	-
Upper Galilee Rape Crisis Center	500	-	500	-
Wadi Attir	-	6,788	6,788	-
Woman to Woman: Jerusalem Battered Women's Shelter	-	15,002	9,039	5,963
Women Against Violence (WAV) - Nazareth	17,500	84,627	102,127	-
Women and Horizons (Nisa Va'fak)	-	32,000	32,000	-
Women for Women: Haifa Battered Women's Shelter	-	2,500	2,500	-
Women Lawyers for Social Justice	17,500	141,173	148,673	10,000
Women Lawyers for Social Justice – Shutafut	-	27,144	27,145	(1)
Women of the Wall	26,500	65,282	89,554	2,228
Women's Crisis Center of the Negev (MASLAN)	-	14,404	14,404	-
Women's Fund for Human Rights (Machsom Watch)	1,100	69,968	65,945	5,123
Women's Spirit	-	38,799	38,799	-
Workers' Hotline: Kav LaOved	8,500	21,723	22,500	7,723
Yad L Isha (the ICAR coalition)	7,500	25,000	32,500	-
Yahel Israel Service Learning	1,100	28,390	29,490	-
Yedid: The Association for Community Empowerment	15,000	50,180	65,180	-
Yerucham Association	-	18,000	13,000	5,000
Yerushalmim Movement	12,500	5,300	17,800	-
Yesh Din	20,000	51,236	50,137	21,099
Yeshivat Talpiot	10,200	10,000	20,200	-
Yotzim Leshela	-	15,000	15,000	-
<b>TOTAL</b>	<b>\$ 4,247,028</b>	<b>\$ 14,714,216</b>	<b>\$ 14,334,677</b>	<b>\$ 4,626,566</b>

NEW ISRAEL FUND

SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services			Total Program Services
	Grants	Shatil	Other Program Services	
Grants	\$ 14,714,216	\$ -	\$ -	\$ 14,714,216
Projects	-	354,121	1,047,875	1,401,996
Salaries and benefits	-	3,497,738	1,800,151	5,297,889
Legal fees	-	-	11,174	11,174
Accounting fees	-	2,879	-	2,879
Public relations	-	-	78,843	78,843
Consultancy/contract costs	-	650,798	208,951	859,749
Information technology	-	31,019	43,944	74,963
Rent	-	274,780	152,193	426,973
Travel	-	96,519	84,817	181,336
Conferences, conventions and meetings	-	42,857	5,959	48,816
Depreciation and amortization	-	89,505	17,715	107,220
Insurance	-	7,853	-	7,853
Supplies	-	36,029	5,350	41,379
Telephone	-	90,270	34,859	125,129
Postage and shipping	-	-	1,426	1,426
Furniture/equipment	-	-	15,383	15,383
Printing/publications	-	104,673	210,537	315,210
Interest and bank charges	-	-	-	-
Dues and subscriptions	-	-	1,529	1,529
Bad debt	-	-	-	-
Fundraising	-	-	-	-
Governance	-	-	-	-
Staff training	-	10,725	875	11,600
Utilities	-	31,194	9,042	40,236
Miscellaneous	-	6,059	2,284	8,343
<b>TOTAL</b>	<b>\$ 14,714,216</b>	<b>\$ 5,327,019</b>	<b>\$ 3,732,907</b>	<b>\$ 23,774,142</b>

<b>Supporting Services</b>			
<b>Management and General</b>	<b>Fundraising</b>	<b>Total Supporting Services</b>	<b>Total Expenses</b>
\$ -	\$ -	\$ -	\$ 14,714,216
-	-	-	1,401,996
2,280,131	1,780,363	4,060,494	9,358,383
34,595	55	34,650	45,824
97,980	-	97,980	100,859
91	5,854	5,945	84,788
541,966	376,728	918,694	1,778,443
118,196	16,451	134,647	209,610
209,299	157,441	366,740	793,713
89,385	195,693	285,078	466,414
27,420	18,734	46,154	94,970
50,881	18,326	69,207	176,427
14,273	22	14,295	22,148
29,844	15,827	45,671	87,050
32,341	33,120	65,461	190,590
2,238	82,997	85,235	86,661
9,018	15,913	24,931	40,314
42,176	51,600	93,776	408,986
7,193	-	7,193	7,193
15,260	6,208	21,468	22,997
45,419	-	45,419	45,419
-	190,860	190,860	190,860
300,491	-	300,491	300,491
11,528	14,501	26,029	37,629
70,303	9,354	79,657	119,893
255,659	7,928	263,587	271,930
<b>\$ 4,285,687</b>	<b>\$ 2,997,975</b>	<b>\$ 7,283,662</b>	<b>\$ 31,057,804</b>