

Financial Statements Together with  
Report of Independent Certified Public Accountants

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**

June 30, 2021  
(With Summarized Comparative Totals for June 30, 2020)

# AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Board of Directors of  
American Committee for the Weizmann Institute of Science, Inc.

**Report on the financial statements**

We have audited the accompanying financial statements of the American Committee for the Weizmann Institute of Science Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities 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 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 from 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 Organization'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 Organization'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, the financial statements referred to above present fairly, in all material respects, the financial position of the American Committee for the Weizmann Institute of Science Inc. as of June 30, 2021, and the changes 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.

**Other matters***Report on 2020 summarized comparative information*

We have previously audited the Organization's 2020 financial statements (not presented herein), and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 23, 2020. In our opinion, the accompanying summarized comparative information as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Grant Thornton LLP*

New York, New York  
January 6, 2022

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Statements of Financial Position**  
**As of June 30, 2021 and 2020**  
**(000's omitted)**

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	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 18,847	\$ 20,546
Pledges and legacies receivable, net (Note 3)	134,142	121,456
Other assets	1,783	1,908
Investments (Note 4)	837,576	637,207
Office condominium, furniture and equipment, net (Note 5)	<u>6,114</u>	<u>6,408</u>
Total assets	<u>\$ 998,462</u>	<u>\$ 787,525</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accrued expenses and other liabilities	\$ 4,346	\$ 4,288
Due to affiliate (Note 4)	3,827	3,673
Annuity payment liability (Note 2)	6,642	6,896
Loan payable, net (Note 7)	<u>8,447</u>	<u>8,434</u>
Total liabilities	<u>23,262</u>	<u>23,291</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	79,719	46,829
Net assets with donor restrictions	<u>895,481</u>	<u>717,405</u>
Total net assets	<u>975,200</u>	<u>764,234</u>
Total liabilities and net assets	<u>\$ 998,462</u>	<u>\$ 787,525</u>

*The accompanying notes are an integral part of these financial statements.*

# AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

## Statement of Activities

For the year ended June 30, 2021, with summarized comparative totals for 2020  
(000's omitted)

	2021			2020 Total	
	Without Donor Restrictions	With Donor Restrictions			
		Non-Endowment	Endowment		
<b>REVENUES</b>					
Contributions, exclusive of \$4,063 and \$2,168 in 2021 and 2020, respectively, sent directly to the Weizmann Institute of Science from U.S. donors, net of special events expenses of \$15 and \$631 in 2021 and 2020, respectively	\$ 9,870	\$ 53,245	\$ 75	\$ 63,190	\$ 36,932
Legacies and bequests, exclusive of \$363 and \$943 in 2021 and 2020, respectively, sent directly to the Weizmann Institute of Science from U.S. donors	4,995	5,059	20	10,074	44,081
Government and other grants, exclusive of \$9,098 and \$10,248 in 2021 and 2020, respectively, sent directly to the Weizmann Institute of Science from U.S. donors	-	-	-	-	200
Funding from the Institute	13,338	-	-	13,338	13,143
Investment income	349	2,011	-	2,360	3,518
State of Israel incentive interest	-	2,844	-	2,844	2,844
Net realized and unrealized gains on investments (Note 4)	24,284	164,819	20,272	209,375	3,887
Net assets released from restrictions	70,269	(69,269)	(1,000)	-	-
<b>Total revenues</b>	<b>123,105</b>	<b>158,709</b>	<b>19,367</b>	<b>301,181</b>	<b>104,605</b>
<b>EXPENSES</b>					
Program services in support of the Weizmann Institute of Science	74,075	-	-	74,075	74,669
Supporting services:					
Management and general	3,770	-	-	3,770	3,227
Fundraising	11,478	-	-	11,478	10,711
Public information	892	-	-	892	462
<b>Total expenses</b>	<b>90,215</b>	<b>-</b>	<b>-</b>	<b>90,215</b>	<b>89,069</b>
Change in net assets	32,890	158,709	19,367	210,966	15,536
Net assets, beginning of year:	46,829	175,110	542,295	764,234	748,698
Net assets, end of year:	\$ 79,719	\$ 333,819	\$ 561,662	\$ 975,200	\$ 764,234

*The accompanying notes are an integral part of this financial statement.*

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**

**Statements of Cash Flows**

For the years ended June 30, 2021 and 2020

(000's omitted)

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 210,966	\$ 15,536
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	384	370
Donated Securities	(5,424)	(6,041)
Change in the discount and allowance on pledges and legacies receivable	4,654	(4,256)
Net realized and unrealized gains on investments	(209,375)	(3,887)
Endowment contributions, legacies, and bequests	95	37,459
Changes in assets and liabilities:		
Pledges and legacies receivable	(14,819)	2,333
Other assets	125	(357)
Accrued expenses and other liabilities	58	(369)
Due to affiliate	154	36
Annuity payment liability	(254)	(911)
Net cash (used in) provided by operating activities	<u>(13,436)</u>	<u>39,913</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of furniture and equipment	(90)	(128)
Proceeds from sale of investments	40,234	44,787
Purchases of investments	(25,804)	(43,933)
Net cash provided by investing activities	<u>14,340</u>	<u>726</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of principle on notes payable	13	-
Endowment contributions, legacies, and bequests	(95)	(37,459)
Change in permanently restricted pledges and legacies receivable	(2,521)	(2,435)
Net cash used in financing activities	<u>(2,603)</u>	<u>(39,894)</u>
Net (decrease) increase in cash and cash equivalents	(1,699)	745
Cash and cash equivalents, beginning of year	<u>20,546</u>	<u>19,801</u>
Cash and cash equivalents, end of year	<u>\$ 18,847</u>	<u>\$ 20,546</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 300</u>	<u>\$ 299</u>

*The accompanying notes are an integral part of these financial statements.*

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Notes to Financial Statements**  
**June 30, 2021**

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**1. ORGANIZATION**

The American Committee for the Weizmann Institute of Science, Inc. (the “Organization”) was incorporated in New York in 1944. The primary objective of the Organization is to promote, encourage, and advance scientific research and graduate study at the Weizmann Institute of Science (the “Institute”), a world-renowned, scientific research center located in Rehovot, Israel.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (“IRC”) and is designated as a publicly supported organization.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

The Organization’s resources are classified and reported based upon the existence or absence of donor-imposed restrictions, as follows:

*Without Donor Restrictions* - net assets that are not subject to donor-imposed restrictions and, therefore, are available to meet the Organization’s objectives. Net assets without donor restrictions may also be designated by the Organization’s Board of Directors.

*With Donor Restrictions* - net assets that are subject to donor-imposed restrictions that either expire with the passage of time or, can be fulfilled and removed by the actions of the Organization pursuant to those restrictions, or which may be perpetual.

**Comparative Totals**

The 2021 financial statements are presented with prior year summarized comparative information. With respect to the statement of activities, such information is presented in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization’s financial statements as of and for the year ended June 30, 2020, from which the summarized information was derived.

**Use of Estimates**

The preparation of financial statements in conformity with US GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization classifies deposits in banks and money market accounts with original maturities of three months or less as cash equivalents, excluding cash and cash equivalents available for long-term investment, which are included within investments in the accompanying statements of financial position.



**AMERICAN COMMITTEE FOR THE WEIZMANN  
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**Notes to Financial Statements**  
**June 30, 2021**

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**Contributions, Pledges and Legacies Receivable**

During the year ended June 30, 2020, the Organization adopted Accounting Standards Update (“ASU”) 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU 2018-08 clarifies and improves the scope and the accounting guidance for contributions received and made, including guidance to help an entity evaluate whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determine whether a contribution is conditional.

For contributions, revenue is recognized when a contribution becomes unconditional, that is, when the conditions on which they depend are substantially met. Grants are evaluated as to whether they qualify as exchange transactions or contributions. If a contract or grant agreement contains a right of return or right of release from the respective obligation provision on the part of the grantor, and the agreement also contains a barrier to be overcome, the Organization recognizes revenue for these conditional contributions when the related barrier to entitlement has been overcome.

Unconditional promises to give are recorded as contributions at their net present value, less an allowance for uncollectible pledges. Pledges receivable are discounted at credit adjusted rates ranging from 0.8% to 7.1% in 2021 and from 0.9% to 7.1% in 2020. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Legacies are recorded when the will is declared valid, amounts to be received can be reasonably estimated and the probate process is complete.

**Charitable Gift Annuities and Charitable Remainder Trusts**

The Organization enters into agreements with donors to accept and administer charitable gift annuities, which provide for payments to the donors or their beneficiaries based upon specified annuity amounts. Assets held under charitable gift annuities are included in investments (Note 4). Contribution revenue is recognized at the date the annuity contract is established after recording the liability for the present value of the estimated future payments expected to be made to the donor and/or beneficiary. The liabilities are adjusted annually for changes in the life expectancy of the donor or beneficiary, amortization of the discount, and other changes in the estimates of future payments.

The Organization is the beneficiary of certain charitable remainder trusts that are held and administered by others. The present value of the estimated future cash receipts from these trusts is recognized as an asset and as a contribution when the Organization is notified that the trust has been established.

At June 30, 2021 and 2020, the Organization’s annuity payment liabilities were classified as Level 3 within the fair value hierarchy (see Note 4).

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Notes to Financial Statements**  
**June 30, 2021**

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The following table summarizes the changes in the Organization’s Level 3 annuity payment liability balances for the years ended June 30, 2021 and 2020 (000’s omitted):

	<u><b>Charitable Gift Annuities</b></u>
<b>Balance at June 30, 2019</b>	\$ 7,807
New agreements	376
Payments to annuitants	(947)
Terminated agreements	(926)
Change in fair value of annuities payable	<u>586</u>
<b>Balance at June 30, 2020</b>	6,896
New agreements	143
Payments to annuitants	(979)
Terminated agreements	(41)
Change in fair value of annuities payable	<u>623</u>
<b>Balance at June 30, 2021</b>	<u><u>\$ 6,642</u></u>

**Income Taxes**

The Organization follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Organization is exempt from federal income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**Office Condominium, Furniture, and Equipment**

Furniture and equipment are stated at cost and are being depreciated on a straight-line basis over a range of three to ten years. The office condominium, purchased in 2004, is stated at cost and is being depreciated on the straight-line method over 40 years.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

# AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

Notes to Financial Statements  
June 30, 2021

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## Transmissions

All transmissions made to the Institute for its various projects are made pursuant to authorization by the Executive Committee of the Board of Directors of the Organization. At June 30, 2021 and 2020, the Organization had a liability of approximately \$55,000 and \$991,000, respectively, for amounts authorized before year end that were transferred to the Institute after year end. This amount is included in accrued expenses and other liabilities in the accompanying statements of financial position.

## Funding from the Institute

The Institute agreed to assist the Organization with certain operating costs. For the years ended June 30, 2021 and 2020, the Organization received support of approximately \$13,338,000 and \$13,143,000, respectively, which is included in funding from the Institute in the accompanying statement of activities.

## Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments in fixed income funds, equity funds, and alternative investments. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash accounts were placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses in such accounts.

### 3. PLEDGES AND LEGACIES RECEIVABLE, NET

At June 30, 2021 and 2020, pledges and legacies receivable consisted of the following (000's omitted):

<u>Amount Due</u>	<u>2021</u>	<u>2020</u>
Within one year	\$ 27,628	\$ 21,525
One to five years	55,658	39,944
More than five years	<u>88,205</u>	<u>92,682</u>
	171,491	154,151
Less:		
Allowance for uncollectable receivables	(14,035)	(11,941)
Discount to present	<u>(23,314)</u>	<u>(20,754)</u>
	<u>\$ 134,142</u>	<u>\$ 121,456</u>

The Organization is the ultimate beneficiary of certain irrevocable charitable remainder trusts. The value of those trusts is approximately \$9,291,000 and \$8,463,000 as of June 30, 2021 and 2020, respectively, and is included above in gross receivables.

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Notes to Financial Statements**  
**June 30, 2021**

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At June 30, 2021 and 2020, the Organization's beneficial interests in its irrevocable charitable remainder trusts were classified as Level 3 within the fair value hierarchy.

The following table summarizes the changes in the Organization's Level 3 irrevocable charitable remainder trusts - which are contained in the pledges and legacies receivable, net balance - for the years ended June 30, 2021 and 2020 (000's omitted):

	<u>Trusts</u>
<b>Balance at June 30, 2019</b>	\$ 8,484
Terminated agreements	-
Unrealized depreciation in fair value	(21)
<b>Balance at June 30, 2020</b>	8,463
Terminated agreements	-
Unrealized appreciation in fair value	828
<b>Balance at June 30, 2021</b>	<u>\$ 9,291</u>

Approximately 30% and 28% of the pledges and legacies receivable (gross) are due from five donors at June 30, 2021 and three donors at June 30, 2020.

#### 4. INVESTMENTS

Investments, at fair value, are composed of the following at June 30, 2021 and 2020 (000's omitted):

	<u>2021</u>	<u>2020</u>
Money market funds	\$ 196	\$ 102
Fixed income	1,003	995
Mutual funds	2,385	1,769
Fund of funds that invest in equity	8,969	6,979
Fund of funds that invest in bonds	2,884	3,128
Weizman Global Endowment Fund, L.P.	797,534	620,653
Common stock	774	-
Non-trading common stock	3,373	3,373
Real estate investment	20,272	-
Other	186	208
	<u>\$ 837,576</u>	<u>\$ 637,207</u>

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Notes to Financial Statements**  
**June 30, 2021**

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**Fair Value Measurements**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. As required by US GAAP for fair value measurement, the Organization uses a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follow:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.
- Level 3 - Securities that have little to no observable pricing. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Organization. The Organization considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Organization's perceived risk of that instrument.

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Notes to Financial Statements**  
**June 30, 2021**

The following tables summarize investments within the fair value hierarchy as of June 30, 2021 and 2020 (000's omitted):

	<b>2021</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common stock	\$ 774	\$ -	\$ -	\$ 774
Money market funds	196	-	-	196
Fixed income	-	1,003	-	1,003
Mutual funds	2,385	-	-	2,385
Non-trading common stock	-	-	3,373	3,373
Real estate investment	-	-	20,272	20,272
Other	-	-	186	186
	<u>\$ 3,355</u>	<u>\$ 1,003</u>	<u>\$ 23,831</u>	<u>\$ 28,189</u>
Investments measured at NAV				<u>809,387</u>
Total investments				<u>\$ 837,576</u>

	<b>2020</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Money market funds	\$ 102	\$ -	\$ -	\$ 102
Fixed income	-	995	-	995
Mutual funds	1,769	-	-	1,769
Non-trading common stock	-	-	3,373	3,373
Other	-	-	208	208
	<u>\$ 1,871</u>	<u>\$ 995</u>	<u>\$ 3,581</u>	<u>\$ 6,447</u>
Investments measured at NAV				<u>630,760</u>
Total investments				<u>\$ 637,207</u>

As required by US GAAP for fair value measurement, the following table summarizes the changes in fair values associated with Level 3 assets as of June 30, 2021 and 2020 (000's omitted):

<b>Balance as of June 30, 2019</b>	\$ 3,592
Purchases	-
Sales	(11)
<b>Balance as of June 30, 2020</b>	3,581
Purchases	-
Sales	(22)
Unrealized appreciation	20,272
<b>Balance as of June 30, 2021</b>	<u>\$ 23,831</u>

**AMERICAN COMMITTEE FOR THE WEIZMANN  
INSTITUTE OF SCIENCE, INC.**  
**Notes to Financial Statements**  
**June 30, 2021**

The following tables summarize the significant unobservable inputs the Organization used to value two investments categorized as Level 3. The tables below are not meant to be all inclusive, but instead capture the significant unobservable inputs relevant to determination of fair value at June 30, 2021 and 2020:

<b>2021</b>			
<b>Assets Type</b>	<b>Fair Value</b>	<b>Valuation Technique</b>	<b>Unobservable Inputs</b>
Real estate investment	\$ 20,272	Comparable valuation data	Discount rate
Non-trading common stock	\$ 3,373	Income approach	Discount rate

<b>2020</b>			
<b>Assets Type</b>	<b>Fair Value</b>	<b>Valuation Technique</b>	<b>Unobservable Inputs</b>
Non-trading common stock	\$ 3,373	Income approach	Discount rate

The Organization recognized unrealized gains of \$20,272,000 during the year ended June 30, 2021, in connection with real estate previously received from an estate.

The Organization used the net asset value (“NAV”) or its equivalent to determine the fair value of all the underlying investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

Investments valued at NAV or its equivalent as of June 30, 2021, consisted of the following (000’s omitted):

<b>Investment Description</b>	<b>Strategy</b>	<b># of Funds</b>	<b>NAV in Funds</b>	<b>Redemption Restrictions/ Liquidity Provisions</b>
Weizmann Global Endowment Fund, L.P.	Long-term capital growth through investments in a diversified portfolio	1	\$ 797,534	Redemptions permitted monthly with restrictions
Fund of funds that invest in equity	Approximate overall performance of MSCI EAFE Index, MSCI Emerging Markets Index, Russel 2000 Index, S&P MidCap 400 Index and Dow Jones U.S. Total Stock Market Index	16	8,969	Redemptions permitted daily
Fund of funds that invest in bonds	Approximate overall performance of Barclays Capital U.S. Aggregate Bond Index, U.S. Corporate High Yield 2% Issuer Cap Index and U.S. Treasury Inflation Protected Securities Index	7	2,884	Redemptions permitted daily

**AMERICAN COMMITTEE FOR THE WEIZMANN  
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**Notes to Financial Statements**  
**June 30, 2021**

Investments valued at NAV or its equivalent as of June 30, 2020, consisted of the following (000's omitted):

<b>Investment Description</b>	<b>Strategy</b>	<b># of Funds</b>	<b>NAV in Funds</b>	<b>Redemption Restrictions/ Liquidity Provisions</b>
Weizmann Global Endowment Fund, L.P.	Long-term capital growth through investments in a diversified portfolio	1	\$ 620,653	Redemptions permitted monthly with restrictions
Fund of funds that invest in equity	Approximate overall performance of MSCI EAFE Index, MSCI Emerging Markets Index, Russel 2000 Index, S&P MidCap 400 Index and Dow Jones U.S. Total Stock Market Index	15	6,979	Redemptions permitted daily
Fund of funds that invest in bonds	Approximate overall performance of Barclays Capital U.S. Aggregate Bond Index, U.S. Corporate High Yield 2% Issuer Cap Index and U.S. Treasury Inflation Protected Securities Index	6	3,128	Redemptions permitted daily

The above funds have no unfunded commitments as of June 30, 2021 and 2020.

The Weizmann Global Endowment Fund, L.P. (the "Fund") was formed on November 6, 2002 with the purpose of enabling the Institute and its affiliates to invest on a coordinated basis. The Organization is a limited partner in the Fund. The investment objective of the Fund is to achieve long-term capital growth through investments in a diversified portfolio and to achieve a competitive return over a complete market cycle by allocating the Fund's assets among third-party investment advisers (investment subadvisers) employing a variety of strategies.

The Fund's investments in common stocks and fixed-income securities are stated at fair value. Fair value of exchange-listed securities is determined by the last sales price on the valuation date. Fixed-income securities (other than short-term obligations but including listed issues), are valued based on prices obtained by one or more independent pricing services. Pricing services use a matrix, formula, or other objective methods that take into consideration market indices and yield curves and other specific adjustments.

Mutual funds are valued based on published NAVs.

Investment transactions are accounted for on the trade-date basis. Investment income is accounted for on the accrual basis; dividend income is recorded on the ex-dividend date. Realized gains and losses from securities transactions are computed on the average-cost basis and are reported in the statement of activities, net of approximately \$2,290,000 and \$1,606,000 of the Organization's share of related expenses (including the Fund's operating expenses, subadvisor and custodian fees and taxes) for the years ended June 30, 2021 and 2020, respectively.

The Fund's investments in non-registered investment companies are carried at fair value as determined by the General Partner and generally represent the Fund's pro rata interest in the net assets of each non-registered investment company. All valuations utilize financial information supplied by each investment company and are net of management and performance incentive fees or other expenses payable to the investment company managers as required by the investment company agreements.



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As a general matter, the fair value of the Fund's investments in non-registered investment companies represents the amount that the Fund can reasonably expect to receive if the Fund's investments were redeemed at the time of valuation based on information reasonably available at the time. The non-registered investment companies provide for periodic redemptions ranging from quarterly to three-year lock-up, except for private equity funds and illiquid shares that cannot be redeemed until the underlying investments are liquidated. Non-registered investment companies generally require advance notice of the Fund's intent to redeem its interest and may, depending on the non-registered investment company's governing agreements, deny or delay a redemption request. The underlying investments of each non-registered investment company are accounted for at fair value as described in each investment company's financial statements.

The Organization's Board of Directors has authorized a policy permitting the use of total return at a rate of 4.65% and 4.8% of the fair value of the endowed funds with donor restrictions on the average of the twelve quarters ended June 30, 2021 and 2020, respectively, for distribution to fund expenditures in accordance with donor restrictions. This policy is designed to preserve the value of these funds in real terms (after inflation) and to provide a predictable flow of funds to support operations.

Investments include amounts held on behalf of the Feinberg Graduate School of the Institute of approximately \$3,800,000 and \$3,700,000 for June 30, 2021 and 2020, respectively, which are reported as due to affiliate in the statements of financial position, as well as amounts associated with charitable gift annuities of approximately \$13,000,000 and \$11,300,000 as of June 30, 2021 and 2020, respectively. The assets held by the Organization as trustee for its charitable gift annuities include additional amounts set aside by the Organization for state-mandated insurance reserves, which are maintained at the required level.

**5. OFFICE CONDOMINIUM, FURNITURE AND EQUIPMENT, NET**

Office condominium, furniture, and equipment, net consisted of the following at June 30, 2021 and 2020 (000's omitted):

	<u>2021</u>	<u>2020</u>
Office condominium	\$ 9,596	\$ 9,596
Furniture and equipment	<u>1,731</u>	<u>1,858</u>
	11,327	11,454
Less: Accumulated depreciation	<u>(5,328)</u>	<u>(5,161)</u>
	5,999	6,293
Art collection	<u>115</u>	<u>115</u>
	<u>\$ 6,114</u>	<u>\$ 6,408</u>

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**6. PENSION PLANS**

The Organization has a defined contribution pension plan that covers substantially all of its employees. Contributions to this plan amounted to approximately \$860,000 and \$775,000 for the years ended June 30, 2021 and 2020, respectively, and are based on 9% of an employee's compensation.

At various times, the Organization has entered into deferred compensation agreements with certain key officers. Pursuant to the terms of these contracts and subject to certain conditions, the Organization is required to make periodic payments directly to these executives upon retirement. The assets and liabilities related to these agreements are approximately \$379,000 and \$267,000 as of June 30, 2021 and 2020, respectively, and are included in investments and accrued expenses and other liabilities in the accompanying statements of financial position. There were no costs charged to operations related to these agreements for the years ended June 30, 2021 and 2020.

**7. LOAN PAYABLE**

On April 2, 2004, the New York City Industrial Development Agency issued \$8,830,000 of Civic Facility Revenue Bonds (Series A and B) on behalf of the Organization. The proceeds of the Bonds were used to finance the acquisition and renovation of the Organization's principal office, a condominium unit located on the 20<sup>th</sup> floor at 633 Third Avenue, New York, New York, as well as to finance certain issuance costs.

Interest on the Bonds is payable monthly at an annual rate of 3.215%. The Bonds are subject to mandatory redemption by the Organization according to a schedule of annual sinking fund installments commencing on November 1, 2023, and the final payment is due on November 1, 2034.

Interest expense for the years ended June 30, 2021 and 2020 totaled \$300,00 and \$299,000 per annum, respectively.

The Bonds were issued under an Indenture of Trust dated October 1, 2015 by and between the Organization and The Bank of New York, as trustee, which created a lien on all moneys and securities held by the trustee for the holders of the Bonds. As further security for the Bonds, the payment of the principal, sinking fund installments, and interest on the Bonds is guaranteed by the Organization pursuant to a Guaranty Agreement, and the Organization assigned to the trustee certain rights and remedies under the Installment Sale Agreement. The Bonds and Note are further secured by mortgage liens on and security interests in the Organization's principal office.

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The scheduled future principal payments follow (000's omitted):

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ -
2023	-
2024	745
2025	735
2026	735
Thereafter	<u>6,615</u>
	<u>\$ 8,830</u>

**8. COMMITMENTS AND CONTINGENCIES**

The minimum future annual commitments under operating leases at June 30, 2021 are summarized as follows (000's omitted):

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 107
2023	110
2024	59
2025	9
2026	-
Thereafter	<u>-</u>
	<u>\$ 285</u>

Rent expense for the years ended June 30, 2021 and 2020 amounted to approximately \$217,000 and \$264,000, respectively.

The impact of the COVID-19 pandemic, of which the effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of COVID-19 on ACWIS' operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, which at present cannot be determined. Accordingly, the extent to which COVID-19 may impact ACWIS's statement of financial position, operations, changes in net assets and cash flows is uncertain.

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**9. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes at June 30, 2021 and 2020 (000's omitted):

	<u>2021</u>	<u>2020</u>
Purpose restrictions	\$ 870,178	\$ 692,239
Time restrictions	<u>25,303</u>	<u>25,166</u>
	<u>\$ 895,481</u>	<u>\$ 717,405</u>

The purpose-restricted net assets referred to above at June 30, 2021 and 2020 are available principally for scientific research projects, professorial chairs, scholarships and fellowships, exchange programs, and youth activities.

**10. ENDOWMENT**

The Organization has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the original gift, as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of the 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 net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Board of Directors 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;
- The possible effects of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Organization;
- The investment policies of the Organization; and
- When appropriate, alternatives to spending from donor-restricted endowment funds and the possible effects on the Organization.

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Annual spending from the endowment funds is described in Note 4.

Changes in endowment net assets for fiscal years 2021 and 2020 are as follows (000's omitted):

	<u>2021</u>
	<b>With Donor Restrictions Endowment</b>
<b>Endowment net assets, beginning of the year</b>	\$ 542,295
Contributions and bequests	95
Other changes	(1,000)
Interest and dividends	-
Net realized and unrealized gains	<u>20,272</u>
<b>Endowment net assets, end of year</b>	<u>\$ 561,662</u>
	<u>2020</u>
	<b>With Donor Restrictions Endowment</b>
<b>Endowment net assets, beginning of the year</b>	\$ 504,836
Contributions and bequests	37,459
Interest and dividends	-
Net realized and unrealized gains	<u>-</u>
<b>Endowment net assets, end of year</b>	<u>\$ 542,295</u>

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**11. NATURAL CLASSIFICATION OF EXPENSES**

Expenses attributable to more than one program or supporting service are allocated based on the driver of employee headcount. The Organization's program expense include Program services in support of the Institute. The Organization's support expenses consist of the following categories: Management and general, Fundraising and Public information. The Organization's expenses for the year ended June 30, 2021 and 2020 comparative totals are follows (000's omitted):

	<b>2021</b>				
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Public Information</b>	<b>Total Expenses</b>
Transmissions to the Weizmann Institute of Science	\$ 72,108	\$ -	\$ -	\$ -	\$ 72,108
Science programs	30	-	20	-	50
Salaries and benefits	1,315	2,770	8,553	427	13,065
Professional and consulting fees	127	301	1,099	189	1,716
Travel	-	1	18	4	23
Printing, publications, and advertising	433	-	547	179	1,159
Occupancy cost (including interest of \$300)	-	180	498	49	727
Supplies and services	-	31	59	6	96
Postage and shipping	-	22	28	7	57
Telecommunications	-	27	72	7	106
Equipment rental and maintenance	-	149	257	4	410
Meetings	-	3	6	-	9
Dues, books, subscription	-	6	15	20	41
Insurance	-	162	-	-	162
Depreciation	-	100	286	-	386
Other	62	18	20	-	100
	<u>\$ 74,075</u>	<u>\$ 3,770</u>	<u>\$ 11,478</u>	<u>\$ 892</u>	<u>\$ 90,215</u>
Total expenses					
	<b>2020</b>				
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Public Information</b>	<b>Total Expenses</b>
Transmissions to the Weizmann Institute of Science	\$ 72,899	\$ -	\$ -	\$ -	\$ 72,899
Science programs	126	-	144	-	270
Salaries and benefits	1,284	2,318	7,588	186	11,376
Professional and consulting fees	55	199	893	70	1,217
Travel	-	13	157	3	173
Printing, publications, and advertising	301	-	420	113	834
Occupancy cost (including interest of \$299)	-	211	630	57	898
Supplies and services	-	30	48	4	82
Postage and shipping	-	15	27	5	47
Telecommunications	-	21	69	5	95
Equipment rental and maintenance	-	142	260	6	408
Meetings	-	1	141	-	142
Dues, books, subscription	-	6	13	12	31
Insurance	-	159	-	-	159
Depreciation	-	96	274	-	370
Other	4	16	47	1	68
	<u>\$ 74,669</u>	<u>\$ 3,227</u>	<u>\$ 10,711</u>	<u>\$ 462</u>	<u>\$ 89,069</u>
Total expenses					

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**12. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

As of June 30, 2021 and 2020, financial assets available within one year for general expenditure are as follows (000's omitted):

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 18,847	\$ 20,546
Pledges and legacies receivable, net	134,142	121,456
Investments	<u>837,576</u>	<u>637,207</u>
Less:		
Net assets with donor restrictions	895,481	717,405
Contractual liabilities	<u>23,262</u>	<u>23,291</u>
 Total amounts unavailable due to donor restrictions or law	 <u>918,743</u>	 <u>740,696</u>
 Total financial assets available for general expenditure within one year	 <u>\$ 71,822</u>	 <u>\$ 38,513</u>

The total financial assets available for general expenditure within one year include board designated funds that have the ability to be re-allocated on the basis of board approval.

The Organization regularly monitors liquidity to meet its operating needs and strives to maintain liquid assets of at least \$10M at all times. The Organization has an arrangement with the Institute, whereby, the Institute covers the shortfall between the Board approved operating budget and unrestricted funds received.

**13. SUBSEQUENT EVENTS**

The Organization evaluated its June 30, 2021 financial statements for subsequent events through January 6, 2022, the date the financial statements were issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.