



**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Consolidated Financial Statements and Schedules

June 30, 2016 and 2015

(With Independent Auditors' Report Thereon)



KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Directors
United Jewish Appeal-Federation of
Jewish Philanthropies of New York, Inc.:

We have audited the accompanying consolidated financial statements of United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. (UJA-Federation) and related entities, which comprise the consolidated balance sheets as of June 30, 2016 and 2015, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. and related entities as of June 30, 2016 and 2015 and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 and 2 as of and for the years ended June 30, 2016 and 2015 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

KPMG LLP

November 30, 2016

UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Consolidated Balance Sheets

June 30, 2016 and 2015
(with consolidating information for 2016)
(dollars in thousands)

Assets	2016						2015	
	UJA-Federation	Related Entities (Note 1)				Consolidation and Elimination Items	Consolidated Total	Consolidated Total
		Jewish Communal Fund	Gross Funds	Supporting Organizations	Other Entities			
Cash	\$ 14,876	—	287	293	1,564	—	17,020	19,058
Contributions receivable, net (Note 4)	72,066	—	—	50	555	—	72,671	69,870
Other assets and receivables (Notes 5 and 14)	46,750	60,933	384	354	60,814	(355)	168,880	173,053
Intercompany receivables (payables)	5,058	—	—	(326)	(4,732)	—	—	—
Mortgage and school loans receivable, net (Notes 5 and 16)	—	—	1,659	—	—	—	1,659	3,353
Amounts held on behalf of other agencies	64,348	—	—	—	—	(8,956)	55,392	57,236
Investments (Notes 3, 5, and 6)	978,427	1,375,779	78,127	48,799	3,979	(43,072)	2,442,039	2,525,277
Assets held under charitable trust agreements (Notes 3 and 5)	37,272	—	—	—	—	—	37,272	41,821
Fixed assets, net (Note 8)	61,321	—	9	—	21,028	—	82,358	84,874
Total assets	\$ 1,280,118	1,436,712	80,466	49,170	83,208	(52,383)	2,877,291	2,974,542
Liabilities and Net Assets								
Liabilities:								
Accounts payable, accrued expenses, and other liabilities (Notes 5, 9 and 14)	\$ 15,234	16,215	486	—	36,653	(355)	68,233	73,472
Grants payable	15,553	—	5,167	517	523	—	21,760	20,527
Amounts held on behalf of other agencies	64,348	—	—	—	—	(8,956)	55,392	57,236
Liabilities under charitable trust and annuity agreements (Note 3)	48,238	—	—	—	—	—	48,238	51,488
Long-term debt (Note 9)	52,436	—	—	—	—	—	52,436	55,084
Accrued postretirement benefits (Note 11)	4,933	—	—	—	—	—	4,933	4,989
Total liabilities	200,742	16,215	5,653	517	37,176	(9,311)	250,992	262,796
Commitments and contingencies (Note 12)								
Net assets:								
Unrestricted:								
Undesignated	100,295	1,359,229	21,308	48,653	46,032	(18,368)	1,557,149	1,554,179
Board-designated (Notes 7 and 13)	391,497	15,989	—	—	—	(140)	407,346	455,033
Total unrestricted net assets	491,792	1,375,218	21,308	48,653	46,032	(18,508)	1,964,495	2,009,212
Temporarily restricted (Notes 7 and 14)	336,604	45,279	53,505	—	—	(21,498)	413,890	456,354
Permanently restricted (Notes 7 and 15):								
Endowment – income restricted	142,978	—	—	—	—	(2,314)	140,664	138,805
Endowment – income unrestricted	108,002	—	—	—	—	(752)	107,250	107,375
Total permanently restricted net assets	250,980	—	—	—	—	(3,066)	247,914	246,180
Total net assets	1,079,376	1,420,497	74,813	48,653	46,032	(43,072)	2,626,299	2,711,746
Total liabilities and net assets	\$ 1,280,118	1,436,712	80,466	49,170	83,208	(52,383)	2,877,291	2,974,542

See accompanying notes to consolidated financial statements.

UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Consolidated Statements of Activities

Years ended June 30, 2016 and 2015
(with consolidating information for 2016)
(dollars in thousands)

	2016					2015	
	UJA-Federation	Related Entities (Note 1)			Consolidation and Elimination Items	Consolidated Total	Consolidated Total
Jewish Communal Fund		Grass Funds	Supporting Organizations	Other Entities			
Changes in unrestricted net assets:							
Revenues and gains (losses):							
Annual/special giving (Note 3):							
Annual giving contributions, including special event and mission fees of \$4,420 in 2016 and \$4,344 in 2015	\$ 137,184	-	-	-	-	(15,338)	121,846
Less: event and mission costs	(9,161)	-	-	-	-	-	(9,161)
Special giving contributions	111	-	-	-	-	-	111
Less: provision for uncollectible contributions, net of prior years' recoveries	(4,253)	-	-	-	-	-	(4,253)
Net annual/special giving contributions, including special events and missions	123,881	-	-	-	-	(15,338)	108,543
Legacies and bequests	14,495	-	-	-	-	-	14,495
Split-interest agreements (Note 3)	812	-	-	-	-	-	812
Change in value of split-interest agreements (Note 3)	(2,254)	-	-	-	-	-	(2,254)
Donated services	150	-	-	-	-	-	150
Amounts raised on behalf of others (Note 3)	20,732	-	-	-	-	-	20,732
Net unrestricted campaign revenues, including amounts raised on behalf of others	157,816	-	-	-	-	(15,338)	142,478
Less: amounts raised on behalf of others	(20,732)	-	-	-	-	-	(20,732)
Net unrestricted campaign revenues, excluding amounts raised on behalf of others	137,084	-	-	-	-	(15,338)	121,746
Contributions – consolidated entities	-	433,334	65	2,348	473	-	436,220
Net unrestricted contribution revenues, including consolidated entities	137,084	433,334	65	2,348	473	(15,338)	557,966
Net investment income (loss) (Note 6)	2,974	17,506	187	(39)	(742)	(183)	19,703
Net (depreciation) appreciation in fair value of investments	(17,349)	(50,042)	(520)	(2,804)	16	-	(70,699)
Rental income (Notes 10 and 12)	15,881	-	-	-	3,767	-	19,648
Service income	931	-	-	-	-	(122)	809
Other income	9	-	142	30	4,932	-	5,113
Net assets released from restrictions	41,092	480	3,673	-	-	-	45,245
Total net unrestricted revenues and gains	180,622	401,278	3,547	(465)	8,446	(15,643)	577,785
Grants and expenses:							
Grants and other program services:							
Grants (Note 10)	157,444	380,827	7,705	5,340	362	(17,683)	533,995
Other program services	23,558	684	670	-	4,154	-	29,066
Total grants and other program services	181,002	381,511	8,375	5,340	4,516	(17,683)	563,061
Fund-raising	28,991	1,222	-	-	165	-	30,378
Management and general	19,446	4,934	1,222	55	3,535	(150)	29,042
Total expenses	229,439	387,667	9,597	5,395	8,216	(17,833)	622,481
(Decrease) increase in net assets before postretirement plan adjustments	(48,817)	13,611	(6,050)	(5,860)	230	2,190	(44,696)
Postretirement benefit changes not included in net periodic benefit cost	(21)	-	-	-	-	-	(21)
(Decrease) increase in unrestricted net assets	(48,838)	13,611	(6,050)	(5,860)	230	2,190	103,265

UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Consolidated Statements of Activities, Continued

Years ended June 30, 2016 and 2015
(with consolidating information for 2016)
(dollars in thousands)

	2016					2015		
	UJA-Federation	Jewish Communal Fund	Gross Funds	Related Entities (Note 1)		Consolidation and Elimination Items	Consolidated Total	Consolidated Total
			Supporting Organizations	Other Entities				
Changes in temporarily restricted net assets:								
Annual/special giving (Note 3):								
Annual giving contributions	\$ 17,711	-	-	-	-	(2,019)	15,692	16,874
Special giving contributions	9,252	1,657	-	-	-	(346)	10,563	14,072
Less: provision for uncollectible contributions, net of prior years' recoveries	(260)	-	-	-	-	-	(260)	(510)
Net contributions – annual/special giving	26,703	1,657	-	-	-	(2,365)	25,995	30,436
Legacies and bequests	5,497	-	-	-	-	-	5,497	2,818
Split-interest agreements (Note 3)	284	-	-	-	-	-	284	-
Change in value of split-interest agreements (Note 3)	29	-	-	-	-	-	29	(88)
Net investment (loss) income	(852)	-	-	-	-	-	(852)	128
Net (depreciation) appreciation in fair value of investments	(24,684)	(3,500)	-	-	-	-	(28,184)	12,561
Other income	-	-	12	-	-	-	12	13
Other	-	-	-	-	-	-	-	11
Net assets released from restrictions	(41,092)	(480)	(3,673)	-	-	-	(45,245)	(53,663)
(Decrease) increase in temporarily restricted net assets	(34,115)	(2,323)	(3,661)	-	-	(2,365)	(42,464)	(7,784)
Changes in permanently restricted net assets:								
Endowment contributions (Note 7)	2,045	-	-	-	-	(8)	2,037	2,377
Legacies and bequests (Note 7)	409	-	-	-	-	-	409	1,162
Split-interest agreements (Note 3)	-	-	-	-	-	-	-	-
Change in value of split-interest agreements (Notes 3 and 7)	(712)	-	-	-	-	-	(712)	(331)
Other	-	-	-	-	-	-	-	(11)
Net assets released from restrictions	-	-	-	-	-	-	-	(85)
Increase in permanently restricted net assets	1,742	-	-	-	-	(8)	1,734	3,112
(Decrease) increase in net assets	(81,211)	11,288	(9,711)	(5,860)	230	(183)	(85,447)	98,593
Net assets at beginning of year	1,160,587	1,409,209	84,524	54,513	45,802	(42,889)	2,711,746	2,613,153
Net assets at end of year	\$ 1,079,376	1,420,497	74,813	48,653	46,032	(43,072)	2,626,299	2,711,746

See accompanying notes to consolidated financial statements.

UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Consolidated Statements of Cash Flows
Years ended June 30, 2016 and 2015
(dollars in thousands)

	2016	2015
Cash flows from operating activities:		
(Decrease) increase in net assets	\$ (85,447)	98,593
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities:		
Postretirement benefit changes not included in net periodic benefit cost	21	569
Depreciation, depletion, and amortization	4,706	4,533
Net depreciation (appreciation) in fair value of investments	98,883	(45,041)
Contributions restricted for long-term investment	(2,446)	(3,539)
Provision for uncollectible contributions and other receivables	9,876	15,577
Contributions and change in value of charitable trust agreements	749	811
Noncash transactions	(4,731)	(2,961)
Changes in assets and liabilities:		
Increase in contributions receivable	(14,939)	(22,861)
Decrease (increase) in other assets and receivables	771	(3,966)
(Decrease) increase in accounts payable, accrued expenses, and other liabilities	(5,401)	6,609
Increase (decrease) in grants payable	2,655	(948)
Decrease in accrued postretirement benefits	(76)	(160)
Net cash provided by operating activities	4,621	47,216
Cash flows from investing activities:		
Purchases of investments	(4,203,563)	(2,089,716)
Proceeds from sales of investments	4,195,021	2,028,532
Decrease in mortgage and school loans receivable, net	1,793	2,827
Decrease (increase) in other loans receivable, included in other assets and receivables	552	(2,278)
Acquisition of fixed and other assets, net	(1,845)	(2,172)
Net cash used in investing activities	(8,042)	(62,807)
Cash flows from financing activities:		
Net proceeds from issuance of long-term debt	-	30,695
Repayment of long-term debt	(2,230)	(32,015)
Contributions restricted for long-term investment	2,761	4,622
Expiration of charitable trust agreements	1,071	964
(Decrease) increase in liability under annuity agreements, net of payments to annuitants	(219)	3,081
Net cash provided by financing activities	1,383	7,347
Net decrease in cash	(2,038)	(8,244)
Cash at beginning of year	19,058	27,302
Cash at end of year	\$ 17,020	19,058
Supplemental data:		
Noncash operating activities:		
Contribution(s) of:		
Securities	33	418
State of Israel Bonds	2,053	1,778
Other income and expense	2,645	765
Total noncash operating activities	\$ 4,731	2,961
Real estate taxes paid	\$ 898	884
Interest paid	\$ 2,268	2,678

See accompanying notes to consolidated financial statements.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**
Notes to Consolidated Financial Statements
June 30, 2016 and 2015
(dollars in thousands)

(1) Organization

United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. (UJA-Federation), cares for Jews everywhere and New Yorkers of all backgrounds, responds to crises close to home and far away, and shapes the Jewish future.

UJA-Federation pursues its mission by providing grants, capacity-building support, and advocacy services to close to 100 network agencies – major health and human service agencies; community centers and camps; agencies that support Jewish education; and a dozen national and international agencies – as well as numerous other not-for-profit institutions in New York and Israel. UJA-Federation also serves an important communal planning function by identifying new issues facing the Jewish community and mobilizing institutions and resources to address those issues. Many of UJA-Federation’s network institutions provide services to the wider general community as well as to the Jewish community.

To support these activities, UJA-Federation conducts an annual campaign that raises both unrestricted funds and funds for specific targeted purposes. UJA-Federation also raises funds from legacies, bequests, and other planned gifts. From time to time, UJA-Federation also conducts special campaigns to respond to particular situations such as terrorism and war in Israel, major natural disasters, to raise capital and other funds for its affiliated agencies, Jewish day schools and for its own needs.

UJA-Federation is a publicly supported not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code (the Code); accordingly, it is exempt from federal income taxation.

The following is a description of the related entities included with UJA-Federation in the accompanying consolidated financial statements (collectively, the Organization):

Jewish Communal Fund – The Jewish Communal Fund (JCF) was established to advance the philanthropic objectives of the Jewish community through the establishment of donor-advised philanthropic funds. JCF extends to donors the privilege of recommending grants from their philanthropic funds to the qualified charities of their choice and is committed to facilitating its donors’ philanthropic goals. JCF is a publicly supported organization exempt from income taxes under Section 501(c)(3) of the Code.

UJA-Federation is the sole member of JCF. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 958-810, Not-for-Profit Entities – *Consolidation*, sole corporate membership of one not-for-profit organization in another shall be considered a controlling financial interest. Accordingly, JCF is consolidated with UJA-Federation.

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(1), Continued

Gruss Funds - The Caroline and Joseph S. Gruss Life Monument Funds, Inc. (Gruss) is a tax-exempt organization under Section 501(c)(3) of the Code and is a supporting organization of UJA-Federation under Section 509(a)(3) of the Code. Gruss provides a wide range of education-related scholarships, grants, and awards for the benefit of students and teachers, and support for a variety of other Jewish community activities. Gruss is included in the UJA-Federation consolidated financial statements because a majority of Gruss' Board of Directors is required by its charter to be individuals who participate in the control or management of UJA-Federation by virtue of being a trustee, officer, executive employee, or holder of another important office in UJA-Federation, and the net assets of Gruss would revert to UJA-Federation in the event of dissolution of Gruss. Amounts presented for Gruss are as of and for the year ended December 31, 2015.

Supporting Organizations - UJA-Federation receives support from 34 other supporting organizations. These supporting organizations are organized to carry out the exempt purposes of UJA-Federation under Section 509(a)(3) of the Code. These organizations are included in the accompanying consolidated financial statements because UJA-Federation appoints a majority of the members of their Boards of Directors and the net assets of each foundation would revert to UJA-Federation upon dissolution.

The assets and revenues of JCF, Gruss, and the supporting organizations are not available to meet the liabilities or obligations of UJA-Federation or any other entity included in the consolidated financial statements, except for each of these entities' own liabilities and obligations.

Other Entities - Other entities include two title holding companies, organized under Section 501(c)(2) of the Code. One of these entities holds a condominium unit in the building in New York City utilized by UJA-Federation as its headquarters. The other 501(c)(2) organization holds interests in real property gifted to UJA-Federation. UJA-Federation continues to operate these properties until eventual sale. In addition, other entities include a 501(c)(3) organization established for specialized charitable purposes and a captive insurance company established to benefit UJA-Federation and affiliated agencies.

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Notes to Consolidated Financial Statements, Continued
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(dollars in thousands)

(2) Summary of Significant Accounting Policies and Related Matters

The significant accounting policies followed by the Organization are described below to enhance the usefulness of the consolidated financial statements to the reader.

Consolidated Financial Statement Presentation

The accompanying consolidated financial statements are prepared on the accrual basis of accounting. All significant interorganization balances have been eliminated in consolidation.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows (also refer to note 7):

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions. Contributions that permit the Organization to vary the terms of the gift are classified as unrestricted net assets.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed restrictions that stipulate that the principal be maintained permanently by the Organization, but permit the Organization to expend part or all of the income derived therefrom.

Revenues and gains and losses on investments and other assets, with the exception of that described in the next sentence, are reported as changes in unrestricted net assets unless use of the related assets is limited by explicit donor-imposed restrictions or by law. Gains on investments of temporarily restricted net assets increase temporarily restricted net assets and any losses decrease temporarily restricted net assets, if available. Otherwise, losses on temporarily restricted net assets decrease unrestricted net assets. Investment return on permanently restricted net assets is classified as temporarily restricted. Expenses are reported as decreases in unrestricted net assets. Expiration of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) is reported as net assets released from restrictions.

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(2), Continued

Accounting Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates and assumptions include allowances for uncollectible receivables, the present value of multiyear contributions receivable, the valuation of alternative investments, actuarial assumptions, estimated rental value of property owned and leased to grantees, and the allocation of expenses to functional classifications.

Contributions

Contributions, including unconditional promises to give, are reported initially at fair value as revenues in the period received.

Contributions receivable are reported at their net present value less an allowance for estimated uncollectible amounts. The allowance is determined by reviewing historical collectibility trends and analyses of specific receivable balances. Contributions to be received after one year are discounted at a risk-adjusted rate. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any, on the contributions.

Contributions of publicly traded securities are recorded at their fair value at the time of donation, except for State of Israel Bonds, which are recorded at their face value at the time of receipt. It is UJA-Federation's policy generally to convert contributions of marketable securities to cash upon receipt of the security, except for State of Israel Bonds. Other non cash contributions are converted to cash as soon as practicable and prudent, and are recorded at their estimated fair value at the time of donation.

Investments and Fair Value

The Organization follows the provisions of ASC Topic 820, *Fair Value Measurement* (ASC 820). The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy, which prioritizes and ranks the level of market price observability used in measuring fair value. Valuation methods based upon inputs with readily available quoted prices in active markets for identical assets or liabilities (Level 1 measurements) will have a higher degree of

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(2), Continued

market price observability and a lesser degree of judgment used in determining fair value than the lowest priority measurements involving significant unobservable inputs (Level 3 measurements).

The Organization follows the provisions of FASB Accounting Standards Update (ASU) No. 2009-12 (Update No. 2009-12), *Fair Value Measurements and Disclosures (Topic 820): Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, pertaining to certain alternative investments in funds that do not have readily determinable fair values, including private equity investments, hedge funds, real estate funds, and other funds. This guidance allows, as a practical expedient, for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent, as reported by the investment managers and reviewed by management for reasonableness.

In May 2015, the FASB issued ASU No. 2015-07 (Update No. 2015-07), *Fair Value Measurements (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The guidance removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient and removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient.

Cost approximates fair value for short-term and money market instruments. Investments in marketable equity and debt securities are presented at fair value based on quoted market prices. State of Israel Bonds are carried at face value. As more fully described in note 5, the fair value of alternative investments that meet the criteria is reported at net asset value, as a “practical expedient,” in conformity with the provisions of Update No. 2009-12. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. The fair value of alternative investments that do not meet the criteria in Update No. 2009-12 is determined based upon ASC 820. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on the trade date.

Risks and Uncertainties

The Organization may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, 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

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(2), Continued

securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

Depreciation

Fixed assets for UJA-Federation and other entities are depreciated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and building improvements	10 to 40 years
Furniture and equipment	3 to 5 years

Equipment relating to the investment in oil and gas properties is depreciated using the 200% declining-balance method over an estimated useful life of five years.

Grant Expense and Commitments

Grant expense and liability are recognized in the year the award is approved by the Board of Directors and the grant recipient is notified.

Income Taxes

The Organization follows the provisions of ASC Subtopic 740-10, *Income Taxes – Overall* (ASC 740-10), relating to uncertainty in income taxes. For the Organization, ASC 740-10 is primarily applicable to the incurrence of unrelated business income tax attributable to certain of its investments. ASC 740-10 establishes a minimum threshold for financial statement recognition of the benefits of positions taken, or expected to be taken, in filing tax returns. It requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization’s income tax returns to determine whether the tax positions are “more-likely than-not” of being sustained by the applicable tax authority. Tax positions not deemed to meet the “more-likely than-not” threshold are recorded as tax expense. There are no tax positions not deemed to meet the “more-likely than-not” threshold.

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Subsequent Events

The Organization evaluated events subsequent to June 30, 2016 and through November 30, 2016, the date on which the consolidated financial statements were issued, and determined that no additional disclosures were required.

Reclassifications

Certain reclassifications of 2015 amounts have been made to conform to the 2016 presentation.

Other Significant Accounting Policies

Other significant accounting policies are set forth in the accompanying consolidated financial statements and the following notes.

(3) Campaigns

A description of the various campaigns of UJA-Federation and other income sources follows:

Unrestricted Annual Campaign

The Unrestricted Annual Campaign is a 12-month campaign that coincides with UJA-Federation's fiscal year. This campaign is the main source of funding for unrestricted grants and UJA-Federation's operating budget. UJA-Federation also receives unrestricted contributions for use domestically, overseas, or in Israel.

Targeted Campaigns (Temporarily Restricted Annual/Special Giving)

Targeted Campaigns are those that have been established from time to time to raise funds to address particular needs. These have included special initiatives to assist those suffering economic dislocation due to the recession, support Jewish residential hospice care in the New York area, alleviate poverty, expand Jewish camping, promote senior aid, enable home care, and a community initiative for Holocaust survivor services that helps provide frail, elderly survivors of Nazi persecution with home care, counseling, cash assistance, and contact with a caring community.

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(3), Continued

Capital and Special Initiatives Campaign

In cooperation with its domestic affiliated agencies, Jewish day schools and certain overseas organizations, UJA-Federation conducts a Capital and Special Initiatives Campaign to fund capital improvements and programmatic endowments. Most of these contributions are directed to other agencies. Capital and Special Initiatives Campaign contributions intended for the benefit of UJA-Federation and recorded as revenue for the years ended June 30, 2016 and 2015 were \$4,976 and \$4,820, respectively. Capital and Special Initiatives Campaign contributions intended for the benefit of others for the years ended June 30, 2016 and 2015 amounted to \$10,053 and \$7,629, respectively, and are a component of amounts raised on behalf of others in the accompanying consolidated statements of activities.

Planned Giving and Endowments (PG&E)

UJA-Federation enters into agreements with donors to accept and administer charitable gift annuities and charitable remainder trusts, the beneficiaries of which include UJA-Federation and/or affiliated agencies. Generally, UJA-Federation manages and invests these assets on behalf of these beneficiaries until the agreement expires and the assets are distributed.

During fiscal years 2016 and 2015, UJA-Federation entered into split-interest agreements consisting of charitable gift annuities and charitable remainder trusts of \$3,019 and \$5,195, respectively. Such split-interest agreements provide for payments, to the donors or their beneficiaries, based upon either the income earned on related investments or specified annuity amounts. Assets held under charitable gift annuities are included in investments, and assets held under charitable remainder trusts are reflected separately in the accompanying consolidated balance sheets. Contribution revenue is recognized at the date the trust or annuity contract is established after recording liabilities for the present value of the estimated future payments expected to be made to the donors and/or other beneficiaries. The liabilities are adjusted annually for changes in the life expectancy of the income beneficiary, amortization of the discount, and other changes in the estimates of future payments. Such adjustments are reported as change in value of split-interest agreements in the accompanying consolidated statements of activities.

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(4) Contributions Receivable

Contributions receivable consist of the following at June 30, 2016 and 2015:

	2016	2015
Amounts expected to be collected within:		
One year	\$ 77,474	\$ 79,279
One to ten years	14,378	10,089
Thereafter	5,939	4,238
	97,791	93,606
Less: discount to present value (ranging from 3.5% to 6.25%)	(5,885)	(4,191)
Less: allowance for estimated uncollectible amounts	(19,235)	(19,545)
	\$ 72,671	\$ 69,870

Contributions receivable include legacies receivable (net) of \$9,401 and \$8,875 at June 30, 2016 and 2015, respectively.

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(5) Fair Value

The three levels of the fair value hierarchy under the fair value measurement provisions of ASC 820, which prioritizes the inputs to valuation techniques used to measure fair value, are as follows:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets and liabilities at the reporting date. The types of investments and other assets included in Level 1 consist of exchange-traded equity securities and debt, short-term money market funds, and actively traded obligations issued by the U.S. government and government agencies.

Level 2: Valuations are based on either (1) quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in markets that are not active, or (3) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Fair value is determined based on pricing inputs that are unobservable and includes situations where there is little, if any, market activity for the asset or liability.

Alternative investments consist of shares or units in investment funds as opposed to direct interests in the funds' underlying holdings, which may be marketable. The net asset value reported by each fund is used as a practical expedient to estimate the fair value of the Organization's interest therein. The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

The fair value of property held subject to a life interest, included in JCF's other assets and receivables, is considered to be a Level 3 input and is based upon an independent appraisal, discounted to present value.

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(5), Continued

The following tables summarize the fair value of the Organization's assets at June 30, 2016 and 2015, in accordance with the ASC 820 fair value hierarchy levels:

	2016			Total
	Level 1	Level 2	Level 3	
<u>Assets:</u>				
Investments:				
Short-term and money market instruments	\$ 398,609	–	–	398,609
United States government and agency obligations/municipal bonds	43,693	105,830	–	149,523
State of Israel Bonds	–	–	14,990	14,990
Alternative investments:				
Long/short equities	9,883	–	–	9,883
Private equity	–	–	3,947	3,947
Other	–	–	59	59
Total alternative investments	9,883	–	4,006	13,889
Equity securities/funds	698,973	990	257	700,220
Debt securities/funds	121,343	239,872	925	362,140
	1,272,501	346,692	20,178	1,639,371
Investments measured at net asset value (or its equivalent) (a)				
Total investments	1,272,501	346,692	20,178	2,442,039
Other assets, including property held subject to life interest (note 14)				
Assets held under charitable trust agreements	37,272	–	–	37,272
Total assets	\$ 1,309,773	398,219	80,178	2,590,838

(a) In accordance with Update No. 2015-07, certain investments that were measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to investment amounts presented in the consolidated balance sheets.

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(5), Continued

	2015			Total
	Level 1	Level 2	Level 3	
<u>Assets:</u>				
Investments:				
Short-term and money market instruments	\$ 377,004	–	–	377,004
United States government and agency obligations/municipal bonds	40,923	98,524	–	139,447
State of Israel Bonds	–	–	15,604	15,604
Alternative investments:				
Long/short equities	12,912	–	–	12,912
Private equity	–	–	4,191	4,191
Other	–	–	107	107
Total alternative investments	12,912	-	4,298	17,210
Equity securities/funds	711,383	1,924	579	713,886
Debt securities/funds	128,264	138,292	925	267,481
	1,270,486	238,740	21,406	1,530,632
Investments measured at net asset value (or its equivalent) (a)				
Total investments	1,270,486	238,740	21,406	994,645
Other assets, including property held subject to life interest (note 14)				
Assets held under charitable trust agreements	41,794	51,883	63,500	115,383
Total assets	\$ 1,312,280	290,650	84,906	2,682,481

(a) In accordance with Update No. 2015-07, certain investments that were measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to investment amounts presented in the consolidated balance sheets.

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(5), Continued

The following tables summarize the fair value of only UJA-Federation's assets at June 30, 2016 and 2015, in accordance with the ASC 820 fair value hierarchy levels:

	2016			Total
	Level 1	Level 2	Level 3	
<u>Assets:</u>				
Investments:				
Short-term and money market instruments	\$ 46,464	–	–	46,464
United States government and agency obligations/municipal bonds	40,925	–	–	40,925
State of Israel Bonds	–	–	13,573	13,573
Alternative investments:				
Other	–	–	59	59
Total alternative investments	–	–	59	59
Equity securities/funds	227,136	–	21,843	248,979
Debt securities/funds	33,382	–	–	33,382
	347,907	–	35,475	383,382
Investments measured at net asset value (or its equivalent) (a)				
Total investments	\$ 347,907	–	35,475	383,382
Assets held under charitable trust agreements	37,272	–	–	37,272
Total assets	\$ 385,179	–	35,475	420,654

(a) In accordance with Update No. 2015-07, certain investments that were measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to investment amounts presented in the consolidated balance sheets.

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(5), Continued

	2015			Total
	Level 1	Level 2	Level 3	
<u>Assets:</u>				
Investments:				
Short-term and money market instruments	\$ 41,686	–	–	41,686
United States government and agency obligations/municipal bonds	38,392	–	–	38,392
State of Israel Bonds	–	–	14,262	14,262
Alternative investments:				
Other	–	–	107	107
Total alternative investments	–	–	107	107
Equity securities/funds	248,915	–	21,843	270,758
Debt securities/funds	47,747	–	–	47,747
	<u>376,740</u>	<u>–</u>	<u>36,212</u>	<u>412,952</u>
Investments measured at net asset value (or its equivalent) (a)				<u>648,006</u>
Total investments	<u>\$ 376,740</u>	<u>–</u>	<u>36,212</u>	<u>1,060,958</u>
Assets held under charitable trust agreements	41,794	27	–	41,821
Total assets	<u>\$ 418,534</u>	<u>27</u>	<u>36,212</u>	<u>1,102,779</u>

(a) In accordance with Update No. 2015-07, certain investments that were measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to investment amounts presented in the consolidated balance sheets.

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(6) Investments

The fair value of the Organization's investments at June 30, 2016 and 2015 consists of the following:

	2016					
	UJA- Federation	Jewish Communal Fund	Gross Funds	Supporting Organizations and Other Entities	Consolidation and Elimination Items	Total
Short-term and money market instruments	\$ 46,464	348,031	2,818	1,296	–	398,609
United States government and agency obligations/municipal bonds	40,925	105,830	–	2,768	–	149,523
State of Israel Bonds	13,573	974	–	443	–	14,990
Alternative investments:						
Multi strategy hedge funds	184,865	25,133	31,441	10,339	–	251,778
Long/short equities	134,742	112,505	34,321	6,509	–	288,077
Private equity	85,082	7,819	2,527	4,020	–	99,448
Real estate	21,809	–	–	952	–	22,761
Other	59	–	–	–	–	59
Total alternative investments	426,557	145,457	68,289	21,820	–	662,123
Equity securities/funds	417,526	449,051	7,020	24,129	(43,072)	854,654
Debt securities/funds	33,382	326,436	–	2,322	–	362,140
Total investments	\$ 978,427	1,375,779	78,127	52,778	(43,072)	2,442,039

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(6), Continued

	2015					
	UJA- Federation	Jewish Communal Fund	Gross Funds	Supporting Organizations and Other Entities	Consolidation and Elimination Items	Total
Short-term and money market instruments	\$ 41,686	324,353	9,232	1,733	–	377,004
United States government and agency obligations/municipal bonds	38,392	98,524	–	2,531	–	139,447
State of Israel Bonds	14,262	915	–	427	–	15,604
Alternative investments:						
Multi strategy hedge funds	195,432	27,661	38,817	12,082	–	273,992
Long/short equities	142,232	243,909	32,973	6,596	–	425,710
Private equity	95,372	7,965	1,465	4,423	–	109,225
Real estate	27,273	–	–	1,169	–	28,442
Other	107	–	–	–	–	107
Total alternative investments	460,416	279,535	73,255	24,270	–	837,476
Equity securities/funds	458,455	441,679	4,900	26,120	(42,889)	888,265
Debt securities/funds	47,747	216,571	–	3,163	–	267,481
Total investments	<u>\$ 1,060,958</u>	<u>1,361,577</u>	<u>87,387</u>	<u>58,244</u>	<u>(42,889)</u>	<u>2,525,277</u>

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(6), Continued

The Organization's alternative investments are diversified across four basic investment strategies as follows:

Multi strategy hedge funds - represent investments in a broad range of investment strategies that seek to exploit opportunities as they occur in the markets due to temporary dislocations or structural inefficiencies and include event-driven strategies, distressed debt, merger and other arbitrage, and value investing.

Long/short equities - primarily investments in funds that, in turn, invest in liquid, marketable securities, and attempting to realize gains through the identification of mispriced securities.

Private equity - consists of buyout and venture capital limited partnership and limited liability company investments. Private equity buyout typically involves the purchase of significant equity stakes in established companies with the goal of increasing value through financial, operational, and strategic changes. Venture capital typically involves providing capital and professional expertise to early stage businesses in exchange for equity ownership with the potential for significant growth and value creation.

Real estate - comprises limited partnership and limited liability company interests that focus on the purchase and development, improvement, and management of residential, commercial, and industrial real estate with value attempted to be realized through both rental income and gains from eventual property sales.

Multi strategy hedge funds and long/short equity investments contain various monthly, quarterly, semiannual, and annual redemption restrictions with required written notice ranging from 1 to 180 days. In addition, certain of these investments are restricted by initial lock-up periods and may contain private investments that are not redeemable within the next year or are presently in liquidation, awaiting final redemption proceeds. As of June 30, 2016, the following table summarizes the composition of \$539,855 at fair value of such investments by the various redemption provisions and lock-up/liquidation periods:

Redemption Period	UJA- Federation	Jewish Communal Fund	Gross Funds	Supporting Organizations and Other Entities	Total
Weekly	\$ -	-	9,883	-	9,883
Monthly	49,437	3,042	7,590	2,388	62,457
Quarterly	145,057	122,361	43,207	8,386	319,011
Semiannual	56,440	12,235	5,082	2,726	76,483
Annual	60,402	-	-	2,918	63,320
Lock-up/ liquidation (a)	8,271	-	-	430	8,701
Total	\$ 319,607	137,638	65,762	16,848	539,855

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(6), Continued

(a) The amount subject to redemption lock-up or in liquidation is set to expire or expected to be received as follows:

Redemption Period	UJA- Federation	Jewish Communal Fund	Gross Funds	Supporting Organizations and Other Entities	Total
2017	\$ 158	–	–	8	166
2018	–	–	–	–	–
2019 and thereafter	8,113	–	–	422	8,535
Total	<u>\$ 8,271</u>	<u>-</u>	<u>-</u>	<u>430</u>	<u>8,701</u>

The Organization's private equity and real estate limited partnership and limited liability company interests are generally for ten-year terms, with extensions of one to two years. As of June 30, 2016, the weighted average remaining life of these strategies approximated seven years. These investments also contain minimum subscription or capital commitments. UJA-Federation's unfunded capital commitments approximated \$83,000 and \$89,000 at June 30, 2016 and 2015, respectively. UJA-Federation maintains sufficient liquidity in its investment portfolio to cover such capital commitments.

UJA-Federation's investments in equity securities/funds at June 30, 2016 and 2015 comprise the following:

	2016	2015
Domestic (publicly traded):		
Large-cap	\$ 24,982	\$ 60,165
Mid-cap	93,108	81,301
Small-cap	26,084	25,563
Total Domestic	<u>144,174</u>	<u>167,029</u>
Emerging markets	42,189	45,975
Global publicly traded	69,897	68,251
International funds (underlying - publicly traded)	118,194	134,311
Investment in consolidated entities	43,072	42,889
	<u>\$ 417,526</u>	<u>\$ 458,455</u>

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(6), Continued

JCF's investments in equity securities/funds and debt securities/funds at June 30, 2016 and 2015 comprise the following:

	2016		2015	
	Equities	Debt	Equities	Debt
Domestic/international common stock	\$ 81,169	–	\$ 101,190	–
Equity mutual funds	367,882	–	340,489	–
Domestic/international corporate bonds	–	151,166	–	69,261
Fixed income mutual funds	–	85,733	–	77,410
Asset backed securities	–	23,793	–	25,347
Commercial mortgage-backed securities	–	64,819	–	43,628
Private corporate bonds	–	925	–	925
	\$ 449,051	326,436	\$ 441,679	216,571

UJA-Federation's investment in charitable gift annuity funds includes a segregated investment account, which is maintained in compliance with New York State Insurance Law. The balance of this account was \$30,941 and \$32,611 at June 30, 2016 and 2015, respectively.

Investment income is reported net of related expenses, such as custodial fees and investment management costs. For the years ended June 30, 2016 and 2015, the Organization's investment expenses were \$8,702 and \$9,432, respectively.

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(7) Endowment Funds

The endowment for UJA-Federation, totaling \$875,228 at June 30, 2016, consists of 483 individual funds representing all permanently restricted net assets (notes 2 and 15) and those temporarily restricted (notes 2 and 14) and board-designated net assets (note 13) subject to its spending policy.

The Organization follows the provisions of the *New York Prudent Management of Institutional Funds Act* (NYPMIFA). Among other things, NYPMIFA provides a standard of organizational conduct for managing and delegating authority with respect to “institutional funds” and rules for appropriations from these funds. An endowment fund is defined as a type of institutional fund that, under the terms of the gift instrument, is not entirely expendable by an institution on a current basis. However, unlike prior law in which an institution could appropriate for expenditure only a prudent portion of any appreciation in the endowment fund over the original dollar value, NYPMIFA allows an institution to appropriate or accumulate so much of the donor-restricted endowment fund as is prudent for the uses, benefits, purposes and duration for which the fund is established, subject to the intent of the donor as expressed in the gift instrument, absent explicit donor stipulations to the contrary. In compliance with NYPMIFA, the Board of Directors of the Organization considers the following factors in managing and investing its endowment funds (the “Funds”):

- 1) The duration and preservation of the Fund;
- 2) The purposes of the Organization and the donor-restricted endowment Fund;
- 3) General economic conditions;
- 4) The possible effect of inflation and deflation;
- 5) The expected total return from income and the appreciation of investments;
- 6) Other resources of the Organization;
- 7) Alternatives to expenditure of the Fund, giving due consideration to the effect such alternatives may have on the Organization; and
- 8) The investment policy of the Organization.

Although NYPMIFA changed the concept of “historic dollar value” for spending from endowment funds in certain circumstances, UJA-Federation continues to classify the corpus of donor-restricted endowment funds as permanently restricted net assets. Accounting guidance associated with the enactment of NYPMIFA as set forth in ASC 958, Section 205-45, *Classification of Donor-Restricted Endowment Funds Subject To UPMIFA* (Uniform Prudent Management of Institutional Funds Act), requires the portion of donor restricted endowment funds that is not classified as permanently restricted to be classified as temporarily restricted net assets until appropriated for expenditure in a manner consistent with the standards of prudence required by NYPMIFA. Investment return on such permanently restricted net assets is classified as temporarily restricted.

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(7), Continued

The provisions of NYPMIFA contain a “rebuttable presumption of imprudence” if expenditures in any given year from a Fund are greater than 7.0% of its fair market value, determined at least quarterly and averaged over a period of not less than five years immediately preceding the year of appropriation. UJA-Federation utilizes a Total Return Spending Rate Policy (the Spending Rate). A spending rate of 5.0% is applied to a rolling 12-quarter average of endowment net assets and an additional \$20 million is spent from legacies and bequests received during a fiscal year. Any legacies and bequests received during a fiscal year in excess of \$20 million would be added to the endowment. If legacies and bequests received in a fiscal year are less than \$20 million, the shortfall is borrowed from the endowment and repaid in subsequent years. The overall endowment spending amount is reviewed by management and approved by the Board of Directors to ensure compliance with NYPMIFA.

UJA-Federation’s approved *Investment Policy Statement* defines the endowment’s investment objectives, return and risk parameters, asset allocation targets and ranges, benchmark performance measurement and evaluation, and procedures for compliance with NYPMIFA. The long-term investment objective is to target superior risk-adjusted capital appreciation with a net return that at least equals the Consumer Price Index plus the Spending Rate in order to preserve and enhance the endowment’s real value. Strategic asset allocation targets and ranges are reviewed periodically with the intention of setting them at a level that will allow for the achievement of the long-term objective while taking an appropriate level of risk through diversification.

Jewish Communal Fund

JCF has a board-designated endowment fund (Special Gifts Fund), totaling \$15,989 at June 30, 2016, where grants are recommended by the Board of Trustees. JCF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs that meet the needs of the Jewish community, at home and abroad, while seeking to maintain the purchasing power of the endowment assets. JCF has a policy of appropriating for distribution each fiscal year 7.0% of its endowment fund’s average fair value over the prior 12 calendar quarters. JCF expects its endowment funds, over time, to provide an average rate of return that exceeds the S&P 500 Index. To satisfy this long-term investment objective, JCF relies on a total-return strategy in which investment returns are achieved through both capital appreciation and current income. JCF targets a diversified asset allocation with prudent risk constraints.

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(7), Continued

The composition of UJA-Federation's and JCF's endowment, by net asset class, at June 30, 2016 and 2015 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
UJA-Federation:				
Endowment - income restricted	\$ —	218,115	142,978	361,093
Endowment - income unrestricted	—	52,614	108,002	160,616
Board-designated	353,519	—	—	353,519
Total	<u>\$ 353,519</u>	<u>270,729</u>	<u>250,980</u>	<u>875,228</u>

JCF:

Board-designated	<u>\$ 15,989</u>	<u>—</u>	<u>—</u>	<u>15,989</u>
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	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
UJA-Federation:				
Endowment - income restricted	\$ —	243,117	141,111	384,228
Endowment - income unrestricted	—	66,794	108,127	174,921
Board-designated	399,912	—	—	399,912
Total	<u>\$ 399,912</u>	<u>309,911</u>	<u>249,238</u>	<u>959,061</u>

JCF:

Board-designated	<u>\$ 17,641</u>	<u>—</u>	<u>—</u>	<u>17,641</u>
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**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
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(7), Continued

Changes in UJA-Federation's and JCF's endowment net assets for the fiscal years ended June 30, 2016 and 2015 were as follows:

	2016			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
UJA-Federation:				
Net assets - July 1, 2015	\$ 399,912	309,911	249,238	959,061
Investment (loss) income	(2,174)	(805)	-	(2,979)
Net (depreciation) in fair value of investments	(17,813)	(23,723)	-	(41,536)
Contributions	14,598	9,252	2,454	26,304
Change in value of split-interest agreements	-	-	(712)	(712)
Distributions (a)	(38,082)	(22,373)	-	(60,455)
Transfers out	(2,922)	(1,533)	-	(4,455)
Net Assets - June 30, 2016	<u>\$ 353,519</u>	<u>270,729</u>	<u>250,980</u>	<u>875,228</u>
JCF:				
Net assets - July 1, 2015	\$ 17,641	-	-	17,641
Net depreciation in fair value of investments	(602)	-	-	(602)
Contributions	282	-	-	282
Distributions	(1,332)	-	-	(1,332)
Net Assets - June 30, 2016	<u>\$ 15,989</u>	<u>-</u>	<u>-</u>	<u>15,989</u>

(a) Includes \$20,000 distributed under UJA-Federation's separate legacies and bequests policy.

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(7), Continued

	2015			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
UJA-Federation:				
Net assets - July 1, 2014	\$ 417,164	322,067	244,819	984,050
Investment (loss) income	(204)	146	–	(58)
Net appreciation in fair value of investments	8,802	12,055	–	20,857
Contributions	15,005	406	4,846	20,257
Change in value of split-interest agreements	–	–	(331)	(331)
Distributions (a)	(37,652)	(22,230)	(85)	(59,967)
Transfers in (out)	(3,203)	(2,533)	(11)	(5,747)
Net Assets - June 30, 2015	<u>\$ 399,912</u>	<u>309,911</u>	<u>249,238</u>	<u>959,061</u>
JCF:				
Net assets - July 1, 2014	\$ 17,632	–	–	17,632
Net appreciation in fair value of investments	89	–	–	89
Contributions	207	–	–	207
Distributions	(287)	–	–	(287)
Net Assets - June 30, 2015	<u>\$ 17,641</u>	<u>–</u>	<u>–</u>	<u>17,641</u>

(a) Includes \$20,000 distributed under UJA-Federation's separate legacies and bequests policy.

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(8) Fixed Assets

Fixed assets, at cost, consist of the following at June 30, 2016 and 2015:

	2016			2015
	UJA- Federation	Related Entities	Total	Total
Land	\$ 1,118	600	1,718	\$ 1,718
Buildings and building improvements	74,528	30,403	104,931	104,213
Furniture and equipment	6,756	271	7,027	6,354
Total cost	82,402	31,274	113,676	112,285
Accumulated depreciation	(21,081)	(10,237)	(31,318)	(27,411)
Net fixed assets	<u>\$ 61,321</u>	<u>21,037</u>	<u>82,358</u>	<u>\$ 84,874</u>

In 2016 and 2015, UJA-Federation wrote off \$427 and \$921, respectively, of fully depreciated fixed assets.

(9) Long-Term Debt and Derivative Instruments

In June 2004, the New York City Industrial Development Agency (the Agency) issued Civic Facility Revenue Bonds (Series 2004 Bonds), for the benefit of UJA-Federation, in the amount of \$66,830 at par. The Series 2004 Bonds were issued in order to finance part of the costs of the renovation, equipping, and furnishing of the portion of a 17-story building, located in New York City, owned by UJA-Federation and occupied as its headquarters (the Facility). Pursuant to various agreements, including an "Indenture of Trust" (the Indenture), UJA-Federation is obligated to and guarantees to make required payments of principal, sinking fund installments, and interest on the Series 2004 Bonds.

The Series 2004 Bonds were originally issued in two series: Series 2004A Bonds in the initial aggregate principal amount of \$41,830 and Series 2004B Bonds, originally issued in the aggregate principal amount of \$25,000.

The Series 2004A Bonds comprise, at par, \$32,940 of fixed rate serial bonds with maturity dates commencing July 1, 2007 and annually thereafter until July 1, 2024 and \$8,890 of fixed rate term bonds with mandatory sinking fund requirements commencing July 1, 2025 and annually thereafter until final maturity on July 1, 2027. The fixed rate serial bonds bear interest at rates ranging from 2.50% to 5.25%, payable each January 1 and July 1, commencing January 1, 2005. The fixed rate term bonds bear interest at 5.00%, payable each January 1 and July 1, beginning January 1, 2005. The serial bonds maturing on or after July 1, 2015, and the term bonds, are subject to optional redemption on or after July 1, 2014, in whole or in part, at par plus accrued interest to the date of redemption.

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(9), Continued

During fiscal year 2015, UJA-Federation exercised its redemption rights relative to the Series 2004A Bonds. On August 14, 2014, the Build NYC Resource Corporation issued at par \$27,335 of revenue bonds (Series 2014 Bonds) for the benefit of UJA-Federation for the purpose of refunding the outstanding principal amount of the Series 2004A Bonds. The Series 2014 Bonds were issued at a premium of \$3,923 and the proceeds from the issuance were used to redeem the outstanding principal (\$30,405), to pay accrued interest (\$275) on the Series 2004A Bonds at the September 4, 2014 optional redemption date, and to pay for the costs of issuance (\$563). The premium is being amortized over the life of the bonds. The Series 2014 Bonds comprise fixed rate serial bonds with maturity dates commencing July 1, 2015 and annually thereafter until July 1, 2025. These serial bonds bear interest at rates ranging from 2.00% to 5.00%, payable each January 1 and July 1, commencing January 1, 2015. The Series 2014 Bonds are subject to optional redemption on or after July 1, 2024, in whole or in part, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the date of redemption. The Series 2014 Bonds are also subject to mandatory and extraordinary redemption, as defined. The unamortized premium of \$652 on the original Series 2004A Bonds was written off to interest expense in fiscal 2015.

The Series 2004B Bonds were issued initially as variable rate bonds, due July 1, 2034, bearing interest in auction mode. The bonds could be converted as a whole at the direction of UJA-Federation, subject to certain restrictions, to bonds that bear interest at a daily, weekly, monthly, quarterly, adjustable, or fixed rate. On May 30, 2012 (the "Conversion Date"), the Series 2004B Bonds were remarketed and converted to a fixed rate obligation in the principal amount of \$22,585. The bonds were issued at a premium on the Conversion Date and the premium was utilized to retire \$2,415 of the original \$25,000 principal amount. The premium is being amortized over the life of the bonds. The bonds bear interest at 5.00%, payable each January 1 and July 1, commencing July 1, 2012. The bonds are subject to optional redemption, in whole or in part, on or after January 1, 2022 at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The bonds are also subject to mandatory and extraordinary redemption, as defined.

At June 30, 2016 and 2015, \$52,436 and \$55,084, net, was outstanding under the Series 2014/2004A Bonds and Series 2004B Bonds, respectively.

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(9), Continued

In accordance with ASU No. 2015-03 (Update No. 2015-03), *Simplifying the Presentation of Debt Issuance Costs*, debt issuance costs previously classified as a deferred asset in the balance sheet is classified as a direct deduction from the carrying amount of the related debt liability. Unamortized debt issuance costs of \$778 and \$848 at June 30, 2016 and 2015, respectively, are reflected as a direct reduction of long-term debt. Amortization of debt issuance costs for fiscal years 2016 and 2015 was \$70 and \$68, respectively.

The minimum annual payments for principal and interest relating to long-term debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
<u>Year ending June 30:</u>			
2017	\$ 2,160	2,191	4,351
2018	2,240	2,092	4,332
2019	2,355	1,977	4,332
2020	2,475	1,894	4,369
2021	2,525	1,818	4,343
Thereafter	40,681	16,799	57,480
	<u>\$ 52,436</u>	<u>26,771</u>	<u>79,207</u>

Interest expense for the years ended June 30, 2016 and 2015 was \$1,816 and \$1,936, respectively.

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(10) Grants

The following is a list, by program area, of grants awarded by UJA-Federation and related entities during the years ended June 30, 2016 and 2015:

UJA-Federation:	2016	2015
Jewish Communal Network Commission:		
Overseas Agencies; The Jewish Federations of North America (a)	\$ 47,356	\$ 47,583
Operating Support Grants to Domestic Network Agencies	35,290	35,103
Other Program Grants	8,003	2,009
Total Jewish Communal Network Commission	90,649	84,695
Caring Commission:		
Addressing Poverty and Promoting Self-Sufficiency	9,309	8,796
Enabling Older Adults to Age in Place	4,388	4,841
Strengthening Children, Youth and Families	3,375	3,119
Health, Healing, Hospice, and Jewish Spiritual Care	2,873	2,911
Connect to Care Initiative	996	1,449
Emergency and Trauma Relief	695	8,279
Superstorm Sandy Relief	—	616
Other Program Grants	1,110	3,676
Total Caring Commission	22,746	33,687
Commission on Jewish Identity and Renewal:		
Communal Jewish Education	5,377	4,984
Strengthening Jewish Educators	3,493	3,481
Jewish Identity in Israel and the former Soviet Union	2,228	2,008
Jewish Community Development	2,070	3,155
Scholarships	2,058	1,980
Birthright Israel	1,569	1,724
Other Program Grants	309	50
Total Commission on Jewish Identity and Renewal	17,104	17,382
Commission on the Jewish People:		
Strengthening Jewish Peoplehood	9,141	8,399
Emergency Grants	1,007	891
Integration and Absorption of Israeli Ethiopians	499	531
Integration and Absorption of Russian Jews in New York	219	325
Other Program Grants	210	396
Total Commission on the Jewish People	11,076	10,542
Lease of properties to grantee organizations (b)	15,869	15,869
Total UJA-Federation	\$ 157,444	\$ 162,175

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(10) Continued

	2016	2015
Jewish Communal Fund:		
Cultural and Educational	\$ 145,024	\$ 119,164
Community Organizations	88,463	37,914
Health, Human Services, and Environment	58,041	48,849
International	40,572	42,312
Religious	31,162	29,166
UJA-Federation	17,565	19,904
Total Jewish Communal Fund	\$ 380,827	\$ 297,309
Grass Funds:		
Educational and other philanthropic programs	7,705	7,638
Supporting Organizations and Other Entities	5,702	5,967
Less: consolidation and elimination items	(17,683)	(20,262)
Total	\$ 533,995	\$ 452,827

(a) The Jewish Federations of North America (JFNA) is the umbrella organization for the Jewish federations in North America and is the principal vehicle through which UJA-Federation distributes funds for overseas program activities. Distributions by JFNA go primarily to the Jewish Agency for Israel and the American Jewish Joint Distribution Committee, Inc. Organizations receiving funds from JFNA utilize such funds for activities and programs that support UJA-Federation's charitable purposes.

(b) UJA-Federation recognizes the estimated rental value of property owned and leased to various grantee organizations at rates significantly below market. The estimates were based upon independent appraisals of the properties, utilizing cap rates ranging from 5.0% to 7.0% to impute rental income and the corresponding grant to the lessees. The consolidated statements of activities for the fiscal years ended June 30, 2016 and 2015 reflect \$15,869 of imputed rental income and grant expense related to these lease agreements.

In June 2016, the Board of Directors of UJA-Federation approved the fiscal year 2017 grant recommendations of the Commissions responsible for the allocation of funds to affiliated agencies of UJA-Federation and to others. In July 2016, the Commissions ratified approximately \$137,000 of grants for programs to be conducted during fiscal year 2017 and notified or will notify the grant recipients. Such grants will be recorded by UJA-Federation in fiscal year 2017.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
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(11) Retirement Benefits

Multiemployer Plan

UJA-Federation and JCF participate in a multiemployer defined benefit pension plan (the Plan) covering eligible union and non-union employees of these organizations as well as eligible employees of participating affiliated agencies of UJA-Federation. The Plan, *Retirement Plan for Employees of United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. and Affiliated Agencies and Institutions*, is filed under the Employer Identification Number 51-0172429 and the three-digit Pension Plan Number 333. The Organization is not required to file an annual zone certification under the Pension Protection Act of 2006 (PPA) and disclosures concerning a financial improvement plan or a rehabilitation plan are not applicable. The Plan is at least 80% funded using the most recent financial information as of October 1, 2015, the beginning of the Plan year.

UJA-Federation and JCF contributions to the Plan for the years ended June 30, 2016 and 2015 were \$2,316 and \$2,210, respectively. These contributions represented 11.7% and 9.5% of the total contributions to the Plan for those years ended, respectively. The expiration date of the collective-bargaining agreement requiring contributions to the Plan for those union employees who elect to participate is January 31, 2019. The Plan is non-contributory for non-union employees.

Other Retirement Benefits

UJA-Federation has also entered into arrangements with executives and certain employees related to supplemental retirement benefits. Costs associated with such arrangements have been accrued and are included in the accompanying consolidated financial statements.

In addition, UJA-Federation provides certain postretirement healthcare benefits to eligible retired employees. Some of UJA-Federation's employees will become eligible for those benefits if they reach normal retirement age while working for UJA-Federation. UJA-Federation follows the provisions of ASC 715, *Compensation – Retirement Benefits*. The unfunded postretirement benefit obligation at June 30, 2016 and 2015, recognized by UJA-Federation in the consolidated balance sheets, was \$4,933 and \$4,989, respectively. For the years ended June 30, 2016 and 2015, UJA-Federation's net periodic postretirement benefit cost was \$139 and \$70, respectively.

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(12) Commitments and Contingencies

Leased Facilities

UJA-Federation and JCF lease office space under the terms of various leases expiring through fiscal year 2026. The leases generally provide for annual base rentals plus real estate and operating expense escalations. Future minimum rentals under noncancellable operating leases are as follows:

	<u>UJA- Federation</u>	<u>Jewish Communal Fund</u>	<u>Total</u>
<u>Year ending June 30:</u>			
2017	\$ 663	265	928
2018	666	269	935
2019	621	279	900
2020	347	279	626
2021	357	284	641
Thereafter	1,560	783	2,343
Total	<u>\$ 4,214</u>	<u>2,159</u>	<u>6,373</u>

Rent expense for the years ended June 30, 2016 and 2015 was \$1,034 and \$966, respectively.

In addition, Gruss occupies office space in New York City under a lease arrangement that expires on June 30, 2022. Gruss also entered into a month-to-month sublease agreement. The annual rent is subject to real estate tax escalations. Future lease payments are as follows:

<u>Year ending December 31:</u>	<u>Amount</u>
2016	\$ 324
2017	331
2018	338
2019	346
2020	354
Thereafter	578
Total	<u>\$ 2,271</u>

Rent expense, net of sublease rental income, for the years ended December 31, 2015 and 2014 was \$163 and \$136, respectively.

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Notes to Consolidated Financial Statements, Continued
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(12), Continued

Rental Income

A consolidated real estate title holding company of UJA-Federation owns a condominium unit in the building in New York City utilized by UJA-Federation as its headquarters (the Facility) and leases office space to tenants. The leases contain operating expense and real estate tax escalation clauses. For the years ended June 30, 2016 and 2015, rental income at the Facility amounted to \$3,767 and \$3,965, respectively.

Future minimum rental income under these leases, excluding escalations, is as follows:

<u>Year ending June 30:</u>	<u>Amount</u>
2017	\$ 3,364
2018	2,948
2019	2,701
2020	2,255
2021	2,194
Thereafter	10,675
Total	<u>\$ 24,137</u>

Contingencies

The Organization is party to various litigation and other claims in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters will not have a significant effect on the Organization's consolidated financial position.

UJA-Federation is a guarantor to FOJP Service Corp. (FOJP), an entity that provides risk management and insurance procurement services for UJA-Federation and many network agencies, of all insurance premiums due from network agencies to FOJP for policies issued on or after January 1, 2006. The guaranty applies to all future policies written for participating network agencies until such time as UJA-Federation determines to cease guaranteeing such future policies payments. UJA-Federation has the right to terminate an agency's participation in the insurance program in the event of such agency's nonpayment of its monthly premium in order to reduce the liability under the guaranty. At June 30, 2016, one network agency was in arrears, totaling \$1,248. The balance of unpaid insurance premiums was \$10,094.

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Notes to Consolidated Financial Statements, Continued
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(dollars in thousands)

(13) Board-Designated Net Assets

Unrestricted net assets of UJA-Federation at June 30, 2016 and 2015 have been designated by the Board of Directors as follows:

	<u>2016</u>	<u>2015</u>
Headquarters facility renovation	\$ 21,843	\$ 21,843
Agency facility replacement	5,647	5,647
Revolving and special loans	3,019	3,000
Spending policy/other designated purposes	360,988	407,042
Total	<u>\$ 391,497</u>	<u>\$ 437,532</u>

(14) Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2016 and 2015 are available for the following purposes:

	<u>2016</u>	<u>2015</u>
UJA-Federation:		
Purpose Restricted:		
Multi purpose and other programs	\$ 93,629	\$ 107,483
Education and scholarships	88,030	87,896
Caring for the vulnerable	39,506	44,075
Programs for the aged	20,154	24,445
Camps and community centers	5,916	7,541
Jewish education and continuity	4,268	5,339
Capital projects	1,355	1,481
	<u>252,858</u>	<u>278,260</u>
Time Restricted:		
Unappropriated unrestricted endowment appreciation	52,614	66,794
Split-interest agreements	949	1,051
Other	30,183	24,614
	<u>83,746</u>	<u>92,459</u>
Total UJA-Federation	<u>336,604</u>	<u>370,719</u>
Jewish Communal Fund:		
Property held subject to life interest - time restricted (a)	45,141	47,507
Fiscal sponsorships	138	95
Total Jewish Communal Fund	<u>45,279</u>	<u>47,602</u>
Gross Funds:		
Educational and other philanthropic programs	53,505	57,166
Less: consolidation and elimination items	(21,498)	(19,133)
Total	<u>\$ 413,890</u>	<u>\$ 456,354</u>

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PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**
Notes to Consolidated Financial Statements, Continued
June 30, 2016 and 2015
(dollars in thousands)

(14) Continued

(a) In December 2013, JCF received an irrevocable life interest in real estate and personal property. The donor and the donor's spouse retained the right to use the property, and the property was not to be sold until their deaths. The donor and the donor's spouse were responsible for continuing to pay the executory costs for the property, which include maintenance costs, capital improvements, property taxes, insurance, and utilities. The fair value of the land was appraised at \$45,000 at December 1, 2013 and \$18,500 for the building improvements, resulting in a combined value of \$63,500. In October 2016, JCF and a buyer negotiated a contract for the sale of the property for approximately \$60,000 with an expected closing date of December 2016. Accordingly, \$3,500 of unrealized depreciation in value of the property has been reflected in the accompanying consolidated statement of activities. Temporarily restricted net assets are shown net of the actuarially determined beneficial-use interest, recorded as deferred revenue in other liabilities and amortized over 15.7 years, the calculated joint-life expectancy of the donor and his spouse. The balance of the beneficial-use interest was \$14,859 and \$15,992 at June 30, 2016 and 2015, respectively, reflecting amortization of \$1,133 in each year shown.

(15) Permanently Restricted Net Assets

Investment returns on permanently restricted net assets are available to support the following activities:

UJA-Federation:	2016	2015
Purpose Restricted:		
Multi purpose and other programs	\$ 46,173	\$ 46,045
Education and scholarships	33,014	31,370
Caring for the vulnerable	25,342	25,328
Programs for the aged	14,946	14,945
Camps and community centers	11,741	11,741
Jewish education and continuity	7,682	7,602
Rescue and resettlement	4,080	4,080
Total endowment - income restricted	142,978	141,111
Total endowment - income unrestricted	108,002	108,127
Less: consolidation and elimination items	(3,066)	(3,058)
Total	\$ 247,914	\$ 246,180

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Notes to Consolidated Financial Statements, Continued
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(dollars in thousands)

(16) Mortgage and School Loans Receivable

Mortgage Loans Receivable

Gruss entered into agreements to administer interest-free mortgage programs for Soviet immigrants in Israel. Gruss, an Israeli banking institution and the Government of Israel each provide a share of the funds borrowed. Gruss subsidizes the interest payments on its portion of the loans. The arrangement calls for Gruss to provide a guaranty, up to \$1,500, for its share of uncollectible amounts under the program. At December 31, 2015, the total uncollectible amounts to which Gruss' guaranty extended was limited to the outstanding balance of \$41. Subsidized payments in each of the years ended December 31, 2015 and 2014 were immaterial.

The composition of the mortgage loans at December 31, 2015 and 2014 was as follows:

	2015	2014
Loans with a 10-year grace period	\$ 213	\$ 487
Loans with a 3-year grace period	126	210
	<u>339</u>	<u>697</u>
Less: allowance for uncollectible amounts	(2)	(4)
	<u>\$ 337</u>	<u>\$ 693</u>

The loans are in New Israeli Shekels and are linked to the rate of exchange of the U.S. dollar and bear no interest. These loans are reflected at historical cost, net of the allowance for uncollectible loans.

School Loans Receivable

Gruss has granted interest-free loans to Yeshivas and Jewish day schools for the purpose of funding building expansion and renovations. As of December 31, 2015 and 2014, loans outstanding totaled \$1,322 and \$2,756, respectively, to be repaid as follows:

	2015	2014
2015	\$ —	\$ 1,353
2016	968	913
2017	324	386
2018	30	92
2019	—	12
	<u>\$ 1,322</u>	<u>\$ 2,756</u>
Less: allowance for uncollectible accounts	—	(96)
	<u>\$ 1,322</u>	<u>\$ 2,660</u>

UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Schedule 1

Schedule of Balance Sheet Information for UJA-Federation

June 30, 2016
(with comparative totals for 2015)
(dollars in thousands)

	2016			2015	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total All Funds	Total All Funds
Assets					
Cash	\$ 13,553	1,323	-	14,876	16,345
Contributions receivable, net	50,266	21,573	227	72,066	68,735
Other assets and receivables	40,185	2,816	3,749	46,750	47,843
Intercompany receivables (payables)	5,009	(211)	260	5,058	5,815
Amounts held on behalf of other agencies	64,348	-	-	64,348	66,615
Investments	426,377	316,284	235,766	978,427	1,060,958
Assets held under charitable trust agreements	5,505	7,868	23,899	37,272	41,821
Fixed assets, net	61,321	-	-	61,321	62,855
Total assets	\$ 666,564	349,653	263,901	1,280,118	1,370,987
Liabilities and Net Assets					
Liabilities:					
Accounts payable, accrued expenses, and other liabilities	\$ 13,147	1,087	1,000	15,234	19,153
Grants payable	10,531	5,022	-	15,553	13,071
Amounts held on behalf of other agencies	64,348	-	-	64,348	66,615
Liabilities under charitable trust and annuity agreements	29,377	6,940	11,921	48,238	51,488
Long-term debt	52,436	-	-	52,436	55,084
Accrued postretirement benefits	4,933	-	-	4,933	4,989
Total liabilities	174,772	13,049	12,921	200,742	210,400
Net assets:					
Unrestricted:					
Undesignated	100,295	-	-	100,295	103,098
Board-designated	391,497	-	-	391,497	437,532
Total unrestricted net assets	491,792	-	-	491,792	540,630
Temporarily restricted	-	336,604	-	336,604	370,719
Permanently restricted:					
Endowment – income restricted	-	-	142,978	142,978	141,111
Endowment – income unrestricted	-	-	108,002	108,002	108,127
Total permanently restricted net assets	-	-	250,980	250,980	249,238
Total net assets	491,792	336,604	250,980	1,079,376	1,160,587
Total liabilities and net assets	\$ 666,564	349,653	263,901	1,280,118	1,370,987

UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Schedule 2

Schedule of Activities for UJA-Federation

Year ended June 30, 2016
(with comparative totals for 2015)
(dollars in thousands)

	2016			2015	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total All Funds	Total All Funds
Revenues and gains (losses):					
Annual/special giving:					
Annual giving contributions, including special event and mission fees of \$4,420 in 2016 and \$4,344 in 2015	\$ 137,184	17,711	–	154,895	155,996
Less: event and mission costs	(9,161)	–	–	(9,161)	(7,007)
Special giving contributions	111	9,252	–	9,363	12,883
Less: provision for uncollectible contributions, net of prior years' recoveries	(4,253)	(260)	–	(4,513)	(4,978)
Net contributions – annual/special giving	123,881	26,703	–	150,584	156,894
Endowment contributions	–	–	2,045	2,045	3,684
Legacies and bequests	14,495	5,497	409	20,401	18,872
Split-interest agreements	812	284	–	1,096	2,132
Change in value of split-interest agreements	(2,254)	29	(712)	(2,937)	(4,307)
Donated services	150	–	–	150	150
Amounts raised on behalf of others	20,732	–	–	20,732	18,021
Net campaign revenues, including amounts raised on behalf of others	157,816	32,513	1,742	192,071	195,446
Less: amounts raised on behalf of others	(20,732)	–	–	(20,732)	(18,021)
Net campaign revenues, excluding amounts raised on behalf of others	137,084	32,513	1,742	171,339	177,425
Net investment income (loss)	2,974	(852)	–	2,122	(5,326)
Net (depreciation) appreciation in fair value of investments	(17,349)	(24,684)	–	(42,033)	22,616
Rental income	15,881	–	–	15,881	15,869
Service income	931	–	–	931	565
Other income	9	–	–	9	81
	139,530	6,977	1,742	148,249	211,230
Net assets released from restrictions	(41,092)	(41,092)	–	–	–
Total revenues and gains	180,622	(34,115)	1,742	148,249	211,230
Grants and expenses:					
Grants and other program services:					
Grants	157,444	–	–	157,444	162,175
Other program services	23,558	–	–	23,558	26,031
Total grants and other program services	181,002	–	–	181,002	188,206
Fund-raising	28,991	–	–	28,991	28,332
Management and general	19,446	–	–	19,446	19,846
Total expenses	229,439	–	–	229,439	236,384
(Decrease) increase in net assets before postretirement plan adjustments	(48,817)	(34,115)	1,742	(81,190)	(25,154)
Postretirement benefit changes not included in net periodic benefit cost	(21)	–	–	(21)	(569)
(Decrease) increase in net assets	(48,838)	(34,115)	1,742	(81,211)	(25,723)
Net assets at beginning of year	540,630	370,719	249,238	1,160,587	1,186,310
Net assets at end of year	\$ 491,792	336,604	250,980	1,079,376	1,160,587