

**JEWISH FEDERATION OF GREATER SEATTLE,
SUBSIDIARY AND SUPPORTING FOUNDATIONS**

Consolidated Financial Statements

For the Years Ended June 30, 2015 and 2014

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Independent Auditor's Report

Board of Directors

**Jewish Federation of Greater Seattle, Subsidiary and Supporting Foundations
Seattle, Washington**

We have audited the accompanying consolidated financial statements of Jewish Federation of Greater Seattle, its subsidiary and supporting foundations (collectively the Federation), which comprise the consolidated statements of financial position as of June 30, 2015 and 2014, and the related consolidated statements of activities with consolidating information, and cash flows for the years 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 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 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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 the Federation at June 30, 2015 and 2014, and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



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Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information, schedule of functional expenses and consolidating statement of financial position on pages 5, 6, 7, and 25 through 27 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountants
January 21, 2016

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Financial Position - Assets
June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Assets		
Cash and cash equivalents	\$ 3,298,012	\$ 2,743,783
Receivables (Note 2):		
Pledges	2,390,245	2,351,170
Donor Advised Funds		583,592
Bequests	10,000	70,000
Notes	95,262	122,833
Other	<u>84,707</u>	<u>97,708</u>
	2,580,214	3,225,303
Less allowance for doubtful accounts	<u>(365,248)</u>	<u>(367,609)</u>
Total Receivables	2,214,966	2,857,694
Prepaid expenses	304,237	43,830
Investments (Note 3)	62,444,952	54,156,645
Beneficial interest in charitable lead annuity trust (Note 5)	5,221,310	5,093,960
Land, Building and Equipment:		
Land		128,000
Building and improvements	220,583	2,807,393
Equipment	434,292	496,180
Donated artwork (nondepreciable)	<u>201,170</u>	<u>201,170</u>
	856,045	3,632,743
Less accumulated depreciation	<u>(476,060)</u>	<u>(1,571,084)</u>
Total Land, Building and Equipment	379,985	2,061,659
Total Assets	<u>\$ 73,863,462</u>	<u>\$ 66,957,571</u>

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Financial Position - Liabilities and Net Assets
June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 254,545	\$ 372,021
Deferred subscription revenue		62,549
Allocations and grants payable (Note 4)	2,198,824	2,459,146
Liabilities under split interest agreements (Note 5)	1,390,855	1,442,578
Funds held on behalf of community organizations (Note 6)	4,730,214	4,482,626
Capital lease payable (Note 7)		12,209
	<u>8,574,438</u>	<u>8,831,129</u>
Total Liabilities	8,574,438	8,831,129
Net Assets (Note 9):		
Unrestricted-		
Undesignated	10,493,439	11,805,533
Designated by Board of Directors	18,557,819	9,862,282
Memorial and other funds	2,645,575	2,771,269
Donor Advised Funds	14,608,512	14,587,017
	<u>46,305,345</u>	<u>39,026,101</u>
Total unrestricted	46,305,345	39,026,101
Restricted-		
Temporarily restricted	18,661,144	18,777,806
Permanently restricted	322,535	322,535
	<u>18,983,679</u>	<u>19,100,341</u>
Total restricted	18,983,679	19,100,341
	<u>65,289,024</u>	<u>58,126,442</u>
Total Net Assets	65,289,024	58,126,442
	<u>\$ 73,863,462</u>	<u>\$ 66,957,571</u>
Total Liabilities and Net Assets	\$ 73,863,462	\$ 66,957,571

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Activities with Consolidating Information
For the Years Ended June 30, 2015 and 2014**

	Jewish Federation Funds	Endowment Fund	Seattle Jewish Transcript	Supporting Foundations	Consolidating Entries	2015 Total	2014 Total
Change in Unrestricted Net Assets:							
Public support and revenue-							
Public support:							
Contributions - annual campaign	\$ 3,316,609	\$ -	\$ -	\$ -	\$ (853,794)	\$ 2,462,815	\$ 2,691,931
Contributions - other	633,788	1,612,802		485,000	(68,500)	2,663,090	1,813,125
Less provision for uncollectible amounts	(188,991)				149,308	(39,683)	(68,883)
Total public support	3,761,406	1,612,802		485,000	(772,986)	5,086,222	4,436,173
Revenue:							
JTNews income			566,216		(175,014)	391,202	548,216
Investment income, net of fees of \$109,353 (2014 - \$82,758)	10,271	1,411,793		301,515		1,723,579	1,263,574
Net realized/unrealized gains (losses) on investments	(793)	(446,691)		(127,057)		(574,541)	3,727,542
Gain on sale of building and leaseback	6,999,421					6,999,421	
Special events	182,241				(5,900)	176,341	105,470
Other	545,976		1,371		(468,337)	79,010	232,747
Total revenue	7,737,116	965,102	567,587	174,458	(649,251)	8,795,012	5,877,549
Net asset reclassifications and releases from restrictions-							
Reclass to cover endowments with deficiencies							490
Net assets released from restrictions	1,066,908	644,420				1,711,328	1,690,385
Total net asset reclassifications and releases from restrictions	1,066,908	644,420				1,711,328	1,690,875
Total Public Support and Revenue	12,565,430	3,222,324	567,587	659,458	(1,422,237)	15,592,562	12,004,597

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Consolidated Statements of Activities with Consolidating Information
For the Years Ended June 30, 2015 and 2014**

	Jewish Federation Funds	Endowment Fund	Seattle Jewish Transcript	Supporting Foundations	Consolidating Entries	2015 Total	2014 Total
Allocations, Programs and Expenses:							
Allocations to partner organizations-							
Annual campaign allocations	2,196,293				(500)	2,195,793	2,375,735
Endowment allocations		2,691,234			(857,694)	1,833,540	1,474,385
Supporting foundation allocations				435,870	(70,000)	365,870	837,460
Total allocations to partner organizations	2,196,293	2,691,234		435,870	(928,194)	4,395,203	4,687,580
Programs and expenses-							
Community programs	2,056,236	424,034			(392,844)	2,087,426	1,774,180
Fundraising	816,296					816,296	929,013
Management and general	537,410			109,634	(88,699)	558,345	542,787
JTNews			516,771		(12,500)	504,271	589,952
Total programs and expenses	3,409,942	424,034	516,771	109,634	(494,043)	3,966,338	3,835,932
Total Allocations, Programs and Expenses	5,606,235	3,115,268	516,771	545,504	(1,422,237)	8,361,541	8,523,512
Change in Unrestricted Net Assets Before Transfers	6,959,195	107,056	50,816	113,954		7,231,021	3,481,085
Transfers (Note 9)	(8,261,778)	8,310,001				48,223	(51,073)
Change in Unrestricted Net Assets	(1,302,583)	8,417,057	50,816	113,954		7,279,244	3,430,012

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Activities with Consolidating Information (Continued)
For the Years Ended June 30, 2015 and 2014**

	Jewish Federation Funds	Endowment Fund	Seattle Jewish Transcript	Supporting Foundations	Consolidating Entries	2015 Total	2014 Total
Change in Unrestricted Net Assets	(1,302,583)	8,417,057	50,816	113,954		7,279,244	3,430,012
Change in Temporarily Restricted Net Assets:							
Contributions	1,283,664	130,377				1,414,041	1,223,520
Investment income, net of fees of \$28,763 (2014 - \$24,120)		664,551				664,551	590,463
Net realized/unrealized (losses) gains on investments		(390,094)				(390,094)	1,400,583
Change in value of split-interest agreements, net of payments to beneficiaries		(45,609)				(45,609)	(101,459)
Transfers (Note 9)	(48,223)					(48,223)	51,073
Reclass to cover endowments with deficiencies							(490)
Net assets released from restrictions	(1,066,908)	(644,420)				(1,711,328)	(1,690,385)
Change in Temporarily Restricted Net Assets	168,533	(285,195)				(116,662)	1,473,305
Change in Net Assets	(1,134,050)	8,131,862	50,816	113,954		7,162,582	4,903,317
Net Assets, Beginning of Year:							
Unrestricted	6,054,648	26,054,361	(50,816)	6,967,908		39,026,101	35,596,089
Temporarily restricted	499,929	18,277,877				18,777,806	17,304,501
Permanently restricted		322,535				322,535	322,535
Total Net Assets, Beginning of Year	6,554,577	44,654,773	(50,816)	6,967,908		58,126,442	53,223,125
Net Assets, End of Year:							
Unrestricted	4,752,065	34,471,418		7,081,862		46,305,345	39,026,101
Temporarily restricted	668,462	17,992,682				18,661,144	18,777,806
Permanently restricted		322,535				322,535	322,535
Total Net Assets, End of Year	\$ 5,420,527	\$ 52,786,635	\$ -	\$ 7,081,862	\$ -	\$ 65,289,024	\$ 58,126,442

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Consolidated Statements of Cash Flows
For the Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Operating Activities:		
Change in net assets	\$ 7,162,582	\$ 4,903,317
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Depreciation	104,303	138,179
Gain on disposal of building and equipment	(6,593,029)	
Value of donated leaseback of building	(406,392)	
Donated rent expense	165,592	
Net realized/unrealized losses (gains) on investments	964,635	(5,128,125)
Change in value of beneficial interest in charitable lead annuity trust	(127,350)	(124,242)
Cash changes in operating assets and liabilities:		
Pledges receivable	(41,436)	(28,463)
Donor Advised Funds receivable	583,592	(583,592)
Bequests receivable	60,000	(70,000)
Other receivables	13,001	90
Prepaid expenses	(19,607)	45,782
Accounts payable and accrued expenses	(117,476)	95,459
Deferred subscription revenue	(62,549)	5,444
Allocations and grants payable	(260,322)	159,849
Liabilities under split-interest agreements	(51,723)	4,749
Funds held on behalf of community organizations	247,588	782,064
Deferred revenue		(100,000)
Net Cash Provided by Operating Activities	1,621,409	100,511
Investing Activities:		
Proceeds from sale of building, net	8,203,509	
Proceeds from sales of investments, net	5,800,853	3,769,494
Purchase of investments, net	(15,053,795)	(3,691,163)
Purchase of building and equipment	(33,109)	(27,210)
Issuance of a note receivable		(100,000)
Payments received from notes receivable	27,571	68,187
Net Cash (Used) Provided by Investing Activities	(1,054,971)	19,308
Financing Activities:		
Payments on capital lease payable	(12,209)	(11,822)
Net Cash Used by Financing Activities	(12,209)	(11,822)
Net Change in Cash and Cash Equivalents	554,229	107,997
Cash and cash equivalents, beginning of year	2,743,783	2,635,786
Cash and Cash Equivalents, End of Year	\$ 3,298,012	\$ 2,743,783
Supplementary Cash Flow Information:		
Donated securities	\$ 931,204	\$ 664,446

See accompanying notes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 1 - Summary of Significant Accounting Policies

Mission - The Jewish Federation of Greater Seattle (the Federation) works to ensure a vibrant Jewish community that is connected locally, in Israel and worldwide.

In June 2015, the Board of Directors approved a change in mission and program that took effect on July 1, 2015. The Jewish Federation of Greater Seattle (the Federation) is creating Jewish Connections for Life - ensuring that all Jews can participate in Jewish life in any way that fits their interests and passions, at every stage of life. Going forward, the Federation will carry out core programs of engagement, advocacy, Israel and World Jewry, and Jewish legacy, and implement high-impact investments, directing significant resources into targeted areas for creating and strengthening Jewish engagement.

Programs - The Federation made grants to community organizations serving four Impact Areas:

- Helping Our Local Community in Need
- Strengthening Global Jewry
- Experiencing Judaism: Birth to Grade 12
- Building Jewish Community: Post Grade 12

The Federation grants strengthen and enrich Jewish life by supporting: local human services programs; assistance to Israeli and overseas Jewish communities with basic necessities and development services; Jewish education and Jewish camping from early childhood to high school; Israel experiences for teens and young adults; and programs fostering Jewish engagement, including community holiday celebrations and cultural events. The Federation also makes Special Initiatives Fund grants, including:

- Ignition Grants for new, one-time or pilot projects;
- Small Agency Sustainability Grants, providing operational support for small Jewish agencies; and
- Women's Endowment Fund grants, supporting programs empowering and improving the lives of women and girls locally and in Israel.

The Federation provides a range of services that benefit the Jewish community broadly, including:

- Government Relations, advocating in Olympia and Washington, DC for human services funding, capital investments and public policies benefiting the Jewish community;
- SAFE Washington, a communications network for keeping our community secure from natural and human-caused dangers;
- Education Services, fostering excellence in Jewish education through professional development;
- The PJ Library, engaging young families through Jewish children's literature and events;
- Leadership development, expanding and strengthening our community's leadership pool; and
- Scholarships, lowering barriers to camp, day school, and Israel experience programs.

In addition, the Seattle Jewish Transcript, a wholly owned subsidiary of the Federation published a newspaper until March 2015.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 1 - Continued

General - Annual campaigns were conducted to raise funds for allocation to agencies in the subsequent fiscal year. Allocations to agencies for the subsequent year are shown as allocations payable to beneficiary agencies. Allocations for internal operations and community programs for the subsequent year are shown as unrestricted net assets designated by the Board of Directors.

Principles of Consolidation - The consolidated financial statements include the accounts of the Federation's wholly owned subsidiary, Seattle Jewish Transcript, which was dissolved in October 2015. The consolidated financial statements also include the Federation's supporting foundations, which include: David & Cathy Habib Foundation, Samuel Israel Foundation, and Jewish Day School Foundation. All inter-entity transactions and balances have been eliminated.

Revenue Recognition - Pledges and contributions are recognized as revenue in the campaign year in which the donor makes the pledge. Allowances are provided for amounts estimated to be uncollectible. Donations of equity securities are recognized at the date of contribution and are measured at their estimated fair value. Equity securities donated to the Federation are sold as soon as it is practical. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Pledges and contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support. However, if a restriction is fulfilled - that is, when a stipulated time restriction ends or the purpose restriction is accomplished - in the same time period in which the contribution is received, the Federation reports the support as unrestricted. Otherwise, when a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities with consolidating information as net assets released from restrictions.

Seattle Jewish Transcript recognized subscription revenue over the period of the related subscriptions. There was no deferred subscription revenue at June 30, 2015 as operations had ceased.

Unrestricted Net Assets Designated by the Board of Directors - The Board of Directors has designated certain net assets to be used for the purposes described in Note 9.

Restricted Net Assets - The Federation reports unconditional promises to give cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets.

Permanently restricted net assets consist of endowment restricted funds, by which the donor established a fund in perpetuity for the benefit of a specific beneficiary, whereby the principal is to remain intact and the income is temporarily restricted.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are also reported as temporarily restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Federation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Tax Status - The Internal Revenue Service (IRS) has determined that the Federation and its supporting foundations are nonprofit organizations exempt from federal taxes on income as entities described in Internal Revenue Code Section 501(c)(3). Accordingly, the Federation is subject to income taxes only on income determined to be unrelated business taxable income. No federal income taxes payable related to endowment fund investments were payable at June 30, 2015 and 2014.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 1 - Continued

The Seattle Jewish Transcript was not an exempt entity for federal income tax purposes and, accordingly, was subject to federal income taxes. No amounts were payable at June 30, 2015 and 2014.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash in banks and highly liquid short-term investments with original maturities of three months or less.

Investments - Investments in debt and equity securities are valued by the custodians at fair value based on published quotations for publicly traded securities or lower of cost or fair value for nonpublicly traded securities and other assets. Realized and unrealized gains and losses on investments are reported in the consolidated statements of activities with consolidating information.

Funds Held on Behalf of Community Organizations - Accounting principles generally accepted in the United States of America (U.S. GAAP) require that if a not-for-profit organization establishes a designated fund at a federated fundraising organization with its own funds and specifies itself or its affiliate as the beneficiary of that designated fund, the federated fundraising organization must account for the transfer of such assets as if it is holding the funds as an agent of the donor. Accordingly, the transfer is included in the Federation's assets and an offsetting liability is created in an amount equal to the present value of future payments expected to be made to the designated beneficiary.

The liability shown on the consolidated statements of financial position has been established at the fair value of the funds. Activities related to these funds do not affect the change in net assets on the consolidated statements of activities with consolidating information.

In-Kind Contributions - The Federation received donated catering, advertising, printing, legal, consulting, event related giveaways and software. For the years ended June 30, 2015 and 2014, in-kind contributions were \$22,771 and \$16,683, respectively. For the year ended June 30, 2015, \$10,426 was capitalized for in-kind software and is included in equipment on the consolidated statements of financial position.

Concentration of Credit Risk - Management anticipates no material effect to the Federation's financial position as a result of cash, mutual funds, and investments held in banks in excess of the available federally insured amounts.

Contributions are received from donors primarily in the Greater Seattle area.

Contributions from one donor represented 12% of total public support for the year ended June 30, 2015. Contributions from one donor represented 13% of total public support for the year ended June 30, 2014.

Capitalization and Depreciation - Purchased fixed assets are recorded at cost and donated fixed assets are recorded at fair value on the date received. The Federation capitalizes fixed assets greater than \$1,000. Depreciation is recorded on a straight-line basis over the estimated useful lives of the related assets (building and improvements 10 - 40 years and equipment 3 - 5 years) using a half-year convention for additions.

Use of Estimates - The preparation of financial statements in conformity with U.S. 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.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 1 - Continued

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities with consolidating information. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Reclassifications - Certain items presented on the consolidated financial statements for the prior year have been reclassified to conform to the current year presentation. Such reclassifications had no effect on the change in net assets or net asset balances as previously reported.

Subsequent Events - The Federation has evaluated subsequent events through January 21, 2016, the date on which the consolidated financial statements were available to be issued.

Note 2 - Receivables

Pledges, Donor Advised Funds, and Bequests Receivables - Pledges, Donor Advised Funds pledges, and bequests receivables are as follows at June 30:

	<u>2015</u>	<u>2014</u>
Receivables to be collected in less than one year	\$ 2,235,862	\$ 2,817,497
Receivables to be collected in one to five years	81,500	98,700
Thereafter	<u>135,000</u>	<u>142,500</u>
	2,452,362	3,058,697
Less present value discount	<u>(52,117)</u>	<u>(53,935)</u>
	<u><u>\$ 2,400,245</u></u>	<u><u>\$ 3,004,762</u></u>

The present value discount rates range from 0.5% to 3.0% for receivables to be collected in five or fewer years and 3.0% for receivables to be collected in more than five years. The present value discount rate is established annually by the Federation and does not change the discount rate of receivables pledged in prior years.

Notes Receivable - The Federation has a note receivable from a community organization of \$2,192 and \$7,371 at June 30, 2015 and 2014, respectively, with an interest rate of 2.25% and a final maturity of November 2015.

A supporting foundation has a note receivable for the sale of land with a maturity date of September 9, 2016, with an original balance of \$214,000, interest of 6.5%, and an outstanding balance of \$21,641 and \$29,748 at June 30, 2015 and 2014, respectively.

During 2014, the Federation received a promissory note from an employee for \$100,000, with an interest rate of 4%. The principal and interest on this note will be forgiven at an equal rate each year over a period of seven years. The balance at June 30, 2015 and 2014 was \$71,429 and \$85,714, respectively.

There are no past due balances on notes receivable at June 30, 2015. Additionally, there were no allowances for doubtful accounts, provisions for losses or loans written off related to the above loans for the years ended June 30, 2015 and 2014.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 2 - Continued

Other Receivables - This balance includes various other miscellaneous receivables.

Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Note 3 - Investments and Fair Value Measurements

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, U.S. GAAP uses a fair value hierarchy that prioritizes the inputs to valuation approaches into three broad levels. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Valuation Techniques - Financial assets and liabilities valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using Level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds - Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares held by the Federation at year-end.

Marketable Equity Securities - Valued at the closing price reported on the active market on which the securities are traded.

Marketable Debt Securities - Valued using bid evaluations from similar instruments in actively traded markets.

Although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 3 - Continued

Fair Values Measured on a Recurring Basis - Fair values of investments measured on a recurring basis are as follows:

	Fair Value Measurements as of June 30, 2015			
	Level 1	Level 2	Level 3	Total
Equity securities-				
US large growth	\$ 891,273	\$ -	\$ -	\$ 891,273
US large cap value	72,566			72,566
US large core	3,646,753			3,646,753
US mid growth	185,625			185,625
US mid cap value	199,319			199,319
US mid core	146,164			146,164
US small growth	57,884			57,884
US small cap value	44,540			44,540
US small core	77,389			77,389
International	701,330			701,330
Emerging markets	474,973			474,973
Other	29,257			29,257
Total equity securities	6,527,073			6,527,073
Mutual funds-				
Equity	24,369,553			24,369,553
Fixed income	16,318,190			16,318,190
US large value	373,078			373,078
International bond	2,458,152			2,458,152
International equity	10,522,376			10,522,376
Total mutual funds	54,041,349			54,041,349
Debt securities-				
Municipal bonds		140,903		140,903
Mortgage-backed		63,316		63,316
Total debt securities		204,219		204,219
Total Investments at Fair Value	\$ 60,568,422	\$ 204,219	\$ -	\$ 60,772,641

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 3 - Continued

	Fair Value Measurements as of June 30, 2014			
	Level 1	Level 2	Level 3	Total
Equity securities-				
US large growth	\$ 902,864	\$ -	\$ -	\$ 902,864
US large cap value	12,250			12,250
US large core	3,713,981			3,713,981
US mid growth	200,803			200,803
US mid cap value	179,087			179,087
US mid core	147,799			147,799
US small growth	66,290			66,290
US small cap value	40,842			40,842
US small core	51,051			51,051
International	685,022			685,022
Emerging markets	545,956			545,956
Other	32,031			32,031
Total equity securities	6,577,976			6,577,976
Mutual funds-				
Equity	21,045,969			21,045,969
Fixed income	12,754,163			12,754,163
US large value	425,630			425,630
International bond	1,845,133			1,845,133
International equity	8,818,159			8,818,159
Total mutual funds	44,889,054			44,889,054
Debt securities-				
Municipal bonds		144,113		144,113
Mortgage-backed		69,094		69,094
Total debt securities		213,207		213,207
Total Investments at Fair Value	\$ 51,467,030	\$ 213,207	\$ -	\$ 51,680,237

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 3 - Continued

Total investments at June 30:

	<u>2015</u>	<u>2014</u>
Investments at fair value	\$ 60,772,641	\$ 51,680,237
Investments in life insurance policies valued using lower of cost or fair value	14,485	15,048
Cash, cash equivalents and CDs	<u>1,657,826</u>	<u>2,461,360</u>
Total Investments	<u>\$ 62,444,952</u>	<u>\$ 54,156,645</u>

Note 4 - Allocations and Grants Payable

Allocations payable consisted of the following allocations unpaid but expected to be expended as authorized by the Board of Directors at June 30:

	<u>2015</u>	<u>2014</u>
Jewish Federation:		
Building Jewish Community	\$ 198,000	\$ 275,500
Experiencing Judaism	524,470	488,200
Helping our Local Community in Need	353,000	412,000
Jewish Federations of North America	708,678	767,887
Strengthening Global Jewry	<u>149,000</u>	<u>97,500</u>
	1,933,148	2,041,087
Endowment Fund:		
Building Jewish Community		5,930
Experiencing Judaism		16,000
Helping our Local Community in Need		11,100
Strengthening Global Jewry		5,750
Sustaining Our Community		<u>19,000</u>
		57,780
Supporting Foundations:		
Building Jewish Community	49,727	174,279
Experiencing Judaism	64,949	33,750
Helping our Local Community in Need	<u>151,000</u>	<u>152,250</u>
	<u>265,676</u>	<u>360,279</u>
Total Allocations and Grants Payable	<u>\$ 2,198,824</u>	<u>\$ 2,459,146</u>

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 4 - Continued

Unpaid allocations are as follows at June 30, 2015:

Allocations payable in less than one year	\$ 2,159,097
Allocations payable in one to five years	<u>40,000</u>
	2,199,097
Less present value discount at .5% - 1%	<u>(273)</u>
	<u><u>\$ 2,198,824</u></u>

Note 5 - Split-Interest Agreements

Beneficial Interest in Charitable Lead Annuity Trust - During the year ended June 30, 2012, the Federation's beneficial interest in a testamentary charitable lead annuity trust was funded. The Federation's Endowment Fund will receive quarterly distributions from the trust with the first payment of \$84,425 being due on December 31, 2017, followed by quarterly payments of \$92,102 and a final payment of \$73,681 due on March 14, 2036. The Federation's beneficial interest in this charitable lead annuity trust is recorded at the net present value (discounted at 2.5%) of the distributions on the consolidated statements of financial position, and is included as a component of temporarily restricted net assets.

Charitable Remainder Trusts - The Federation is the beneficiary of two charitable remainder trusts administered by the Federation and held at a financial institution. The trusts provide for periodic distributions to designated beneficiaries. The trusts' fair value at June 30, 2015 and 2014, was \$1,546,583 and \$1,603,607, respectively, with an estimated annuity liability of \$1,251,655 and \$1,295,563, respectively. The Federation's interest in the trusts is recorded at net present value using the applicable federal discount rate at the date of the gift and shown on the consolidated statements of financial position as an investment, a liability and temporarily restricted net assets. The Federation's interest in gains or losses in the trusts' value is recognized in the consolidated statements of activities with consolidating information as temporarily restricted activities.

Charitable Gift Annuities - The Federation has entered into several Charitable Gift Annuities (CGAs) whereby the donor contributes assets in exchange for distributions for a specified period of time to the donor or other beneficiaries. Assets received are recorded at fair value on the date the gift is funded, and a liability equal to the present value of the future distributions is recorded. The difference between the fair value of the assets received and the liability to the donor or other beneficiaries is recognized as contribution revenue. Upon the death of the last/only annuitant, the remaining assets, if any, are disbursed according to the contract governing the CGA. Assets and liabilities under charitable gift annuities are general assets and liabilities of the Federation. CGA assets at June 30, 2015 and 2014 were \$234,086 and \$254,501, respectively, with estimated liabilities of \$139,200 and \$147,015, respectively.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 6 - Funds Held on Behalf of Community Organizations

Funds held on behalf of community organizations at June 30:

	<u>2015</u>	<u>2014</u>
Hillel Foundation for Jewish Life at the U.W.	\$ 2,533,858	\$ 1,814,913
Jewish Day School	1,743,125	2,225,906
Congregation Beth Shalom	198,582	177,612
Congregation Ezra Bessaroth	169,286	178,929
Washington State Jewish Historical Society	70,445	69,555
Charitable gift annuities	<u>14,918</u>	<u>15,711</u>
	<u>\$ 4,730,214</u>	<u>\$ 4,482,626</u>

Note 7 - Capital Lease

The Federation had a noncancelable capital lease for office equipment that expired in April 2015 with monthly payments of \$1,357. The asset was recorded at its fair value at the inception of the lease and the liability was recorded at the present value of the minimum lease payments. The asset was amortized over its estimated productive life. Amortization of the asset under the capital lease is included in depreciation expense.

Note 8 - Retirement Plan

The Federation's employees become eligible to participate in the 401(k) profit sharing plan (the Plan) when they have completed one year of service and have attained the age of 21 years. Participants may contribute compensation up to the maximum amount allowed by law and are immediately vested in these contributions. The Federation may make discretionary contributions to the Plan of 5% of the participant's annual salary up to the wage base, and 10% above the amount of the taxable wage base. Participants vest in the employer contributions over five years. Both employee and employer contributions are subject to applicable IRS limits. In addition, the Federation's employees become eligible to participate in the 403(b) retirement plan upon hire. Employee contributions are made in accordance with the provisions of the 403(b) plan. There were no contributions by the Federation to either the 401(k) or 403(b) plans during the years ended June 30, 2015 and 2014.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 9 - Net Assets

Unrestricted net assets consisted of the following at June 30:

	<u>2015</u>	<u>2014</u>
Undesignated-		
Federation	\$ 1,273,508	\$ 1,045,281
Investment in fixed assets - Federation	<u>379,985</u>	<u>2,030,063</u>
Total undesignated Jewish Federation fund net assets	1,653,493	3,075,344
Endowment community fund	1,758,084	1,813,097
JTNews		(67,502)
Investment in fixed assets - JTNews		16,686
Supporting foundations ^(a)	<u>7,081,862</u>	<u>6,967,908</u>
Total undesignated net assets	10,493,439	11,805,533
Designated by Board of Directors-		
Designation for subsequent year:		
Internal operations	2,128,875	2,031,220
Community programs	718,290	566,612
Other Federation board designations	<u>251,407</u>	<u>381,472</u>
Total designated Jewish Federation fund net assets	3,098,572	2,979,304
Milk & Honey program	264,802	262,652
Board designated endowments	4,919,723	4,977,937
C.A.B. Federation Endowment Fund ^(b)	8,352,448	
PACE / LOJE funds	1,146,752	1,167,327
Emergency Capital Needs Fund	438,865	443,589
Endowment other funds	<u>336,657</u>	<u>31,473</u>
Total designated by Board of Directors net assets	18,557,819	9,862,282
Memorial and other funds	2,645,575	2,771,269
Donor Advised Funds ^(c)	<u>14,608,512</u>	<u>14,587,017</u>
Total Unrestricted Net Assets	<u>\$ 46,305,345</u>	<u>\$ 39,026,101</u>

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 9 - Continued

Restricted net assets consist of the following at June 30:

	<u>2015</u>	<u>2014</u>
Temporarily restricted-		
Federation donor funds restricted for a particular purpose	\$ 668,462	\$ 499,929
Endowment donor funds restricted for a particular purpose	12,396,475	12,784,098
Endowment charitable lead annuity trust restricted due to timing of receipt	5,221,310	5,093,960
Endowment charitable gift annuities and charitable remainder trusts	<u>374,897</u>	<u>399,819</u>
Total temporarily restricted net assets	18,661,144	18,777,806
Permanently restricted-		
Endowment funds restricted by donors ^(d)	<u>322,535</u>	<u>322,535</u>
Total Restricted Net Assets	<u>\$ 18,983,679</u>	<u>\$ 19,100,341</u>

- (a) Supporting Foundations allow donors to maintain personal involvement in grant making decisions as a minority member of a Supporting Foundation's board of directors. A Supporting Foundation is a separate charitable organization, which, by affiliation with the Federation, obtains its tax status as a public charity.
- (b) C.A.B. Federation Endowment Fund represents the net proceeds from the sale of the building, which has been designated for occupancy and other operation costs of the Federation.
- (c) Donor Advised Funds are established by donors with unrestricted, irrevocable gifts made for the exclusive purpose of charitable giving. During their lifetime, donors may recommend grants to charitable organizations in accordance with the Federation's policies and procedures for operation of Donor Advised Funds. Donors may choose to have the fund continue beyond their lifetime by naming their family and/or loved ones as successor advisors. Donors may also choose to have the fund convert to a memorial or PACE/LOJE fund, making gifts in their honor in perpetuity. Donors can also provide a list of grants that will be made upon their death.
- (d) Permanently restricted net assets consist of endowment restricted funds where the donor has established a fund which restricts the corpus in perpetuity. The income from these funds is restricted by the donors for educational and community purposes.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 9 - Continued

Net asset transfers for the year ended June 30, 2015, were as follows:

	Jewish Federation Funds	Endowment Fund
	<u> </u>	<u> </u>
Transfer of building sale proceeds to Endowment Fund	\$ (8,310,000)	\$ 8,310,000
Transfer of board approved reserves to Emergency Capital Needs Fund	(1)	1
	<u><u>\$ (8,310,001)</u></u>	<u><u>\$ 8,310,001</u></u>

Net asset transfers for the year ended June 30, 2014, were as follows:

	Jewish Federation Funds	Endowment Fund
	<u> </u>	<u> </u>
Transfer of reimbursed operations costs to Federation Fund	\$ 94,233	\$ (94,233)

Note 10 - Related Party Transactions

The Federation has normal business relationships with several organizations that are owned by Federation board members. The relationships were entered into in the ordinary course of business.

Note 11 - Permanently Restricted Endowments

The Federation's permanently restricted endowments consist of donor-restricted funds established for a variety of purposes. As required by U.S. GAAP, net assets associated with permanently restricted endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Federation has interpreted the Washington State Prudent Management of Institutional Funds Act (PMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Federation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 11 - Continued

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Federation in a manner consistent with the standard of prudence prescribed by PMIFA. In accordance with PMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purposes of the Federation and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Federation; and
- The investment policies of the Federation.

Changes to donor restricted endowment net assets, are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2013	\$ (490)	\$ 66,655	\$ 322,535	\$ 388,700
Endowment investment return-				
Interest and dividends		15,515		15,515
Realized and unrealized gains		31,959		31,959
Total endowment investment return		47,474		47,474
Transfers for funds with deficiencies in current year	490	(490)		
Appropriation of endowment for expenditure		(22,638)		(22,638)
Endowment Net Assets, June 30, 2014		91,001	322,535	413,536
Endowment investment return-				
Interest and dividends		15,996		15,996
Realized and unrealized losses		(9,964)		(9,964)
Total endowment investment return		6,032		6,032
Appropriation of endowment for expenditure		(23,964)		(23,964)
Endowment Net Assets, June 30, 2015	\$ -	\$ 73,069	\$ 322,535	\$ 395,604

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 11 - Continued

The unrestricted and temporarily restricted amounts above represent cumulative earnings on permanently restricted endowment funds.

Funds With Deficiencies - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or PMIFA requires the Federation to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in unrestricted net assets. At June 30, 2015 and 2014, there were no deficiencies.

Return Objectives and Risk Parameters - The return objectives of the permanently restricted endowments (the Fund) reflect the trade-off between the risk and expected return considered the most appropriate for the total Fund as differentiated from the individual objectives of any one fund. The overall portfolio objective is sufficient growth of capital to maintain or improve the purchasing power of the Fund over time while allowing distributions to fund gifting programs in accordance with the desires of contributors to the Fund. In addition to preserving and enhancing the value of the Fund, the Fund is administered and managed in such a manner as to be responsible to the needs of the donors and of the Jewish community and to maintain the highest standards of professionalism and responsibility.

Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the Federation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Federation utilizes a diversified asset allocation that places an emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy - Each permanently restricted fund has its own spending policy built into the contract that established the fund. Some of these funds spend a flat rate each year while others spend no more than their net income for the year. Finally, some follow the Federation's spending policy. During 2012, the Federation reviewed its spending policy and reduced the amount taken to 4.75% of the rolling sixteen quarter average in fiscal year 2014 and 4.50% starting in fiscal year 2015. For funds that have been in existence for fewer than sixteen quarters, the percentage is applied to all quarters that the fund has been in existence. In choosing these percentages, the Federation considered the long-term expected return on its endowment. This is consistent with the Federation's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

Note 12 - Building Sale and Leaseback

The Federation sold its building to MSRE Management, LLC on October 22, 2014 for a total net sales price of \$8,203,384.

At the time of the sale, the Federation entered into a leaseback agreement for the same property commencing on the closing date. The lease term is the later of one year from the closing date or 60 days after prior written notice to tenant of landlord's receipt of building permits for landlord's planned development of the property; provided that the tenant may terminate the lease at any time on 30 days prior written notice. The value of the lease back was \$406,392, of which \$240,800 is recorded as prepaid expense on the consolidated statements of financial position.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
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**Notes to Consolidated Financial Statements
For the Years Ended June 30, 2015 and 2014**

Note 13 - Publication Agreement

The Federation entered into a Publication Agreement with SagaCity Media (SagaCity) effective January 23, 2015. Under this agreement SagaCity will publish a new magazine, to be sent to Federation donors, to address and examine issues of interest to its members, affiliates, and the community it served with the Jewish Transcript newspaper. SagaCity is responsible for performing advertising sales, administrative support, editorial, design, photos, and printing of the new magazine. SagaCity is responsible for all production expenses and collects all advertising sales revenue. If advertising sales revenues fall short of projections for any annual publication cycle, SagaCity reserves the right to assess a production fee to the Federation to help cover the cost of production expenses. The amount of such production fee shall be no greater than 20% of the actual revenue shortfall under the advertising sales minimum of \$400,000 and in no event shall the production fee exceed \$10,000 for any publication cycle. Should advertising sales revenue exceed projections for any annual publication cycle, SagaCity will share 25% of the actual excess advertising revenue over the projected revenue amount (\$450,000 for the first publication cycle). The agreement expires June 30, 2018.

SUPPLEMENTARY INFORMATION

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**

**Schedule of Functional Expenses
For the Year Ended June 30, 2015 (With Comparative Totals for 2014)**

Total expenses of the Federation, excluding Supporting Foundation expenses and prior to eliminations, are allocated based on its functional activities as follows for the year ended June 30, 2015:

	Community Programs*	Fundraising	Management and General	Seattle Jewish Transcript	2015 Total	2014 Total
Salaries and benefits	\$ 1,116,634	\$ 527,230	\$ 345,167	\$ 315,204	\$ 2,304,235	\$ 2,359,580
Endowment administration fees	497,469				497,469	424,817
Occupancy	156,974	49,798	34,643	12,500	253,915	89,811
Professional services	153,811	17,500	52,702	27,612	251,625	253,256
Events/meetings/conferences	109,621	120,180	10,359	10,553	250,713	266,156
Computer and technology	123,961	10,443	8,454	4,832	147,690	42,836
Postage and printing	35,640	33,526	15,356	49,111	133,633	139,285
Depreciation	53,446	20,152	14,019	16,686	104,303	138,179
Dues and subscriptions	72,556	416	569	525	74,066	73,522
Professional development/travel	47,143	5,704	11,959		64,806	28,638
Taxes and licenses	36,704	3,746	2,791	2,869	46,110	98,510
Miscellaneous	33,132	2,167	281	6,968	42,548	43,687
Office and telephone	13,113	7,539	15,015	6,823	42,490	49,443
Commissions				35,335	35,335	51,412
Advertising/PR/marketing	14,741	7,537	12,112		34,390	44,051
Insurance	10,841	4,088	12,391	5,072	32,392	39,753
Editorial content				28,001	28,001	33,579
In-kind	4,484	6,270	1,592		12,346	16,683
Sales				1,794	1,794	2,447
Bad debt - JTNews only				(7,114)	(7,114)	1,103
	<u>\$ 2,480,270</u>	<u>\$ 816,296</u>	<u>\$ 537,410</u>	<u>\$ 516,771</u>	<u>\$ 4,350,747</u>	<u>\$ 4,196,748</u>

*The community programs include Jewish Education Services, PJ Library, PAVE Your Way, Government Relations and Public Affairs, SAFE Washington and the Seattle Jewish Community Endowment Fund (Endowment Fund).

See independent auditor's report.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**
Consolidating Statement of Financial Position
June 30, 2015
(With Comparative Totals for 2014)

	Jewish Federation Funds	Endowment Fund	Seattle Jewish Transcript	Supporting Foundations	2015 Total	2014 Total
Assets						
Cash and cash equivalents	\$ 3,298,012	\$ -	\$ -	\$ -	\$ 3,298,012	\$ 2,743,783
Receivables:						
Pledges	2,390,245				2,390,245	2,348,798
Donor Advised Funds						583,592
Bequests		10,000			10,000	70,000
Notes	71,429	2,192		21,641	95,262	122,833
Other	4,135	80,572			84,707	100,080
	2,465,809	92,764		21,641	2,580,214	3,225,303
Less allowance for doubtful accounts	(365,248)				(365,248)	(367,609)
Total Receivables	2,100,561	92,764		21,641	2,214,966	2,857,694
Prepaid expenses	304,237				304,237	43,830
Investments	1,494,740	53,624,315		7,325,897	62,444,952	54,156,645
Beneficial interest in charitable lead annuity trust		5,221,310			5,221,310	5,093,960
Land, Building and Equipment:						
Land						128,000
Building	220,583				220,583	2,807,393
Equipment	434,292				434,292	496,180
Donated artwork (not depreciable)	201,170				201,170	201,170
	856,045				856,045	3,632,743
Less accumulated depreciation	(476,060)				(476,060)	(1,571,084)
Total Land, Building and Equipment	379,985				379,985	2,061,659
Total Assets	\$ 7,577,535	\$ 58,938,389	\$ -	\$ 7,347,538	\$ 73,863,462	\$ 66,957,571

See independent auditor's report.

**JEWISH FEDERATION OF GREATER SEATTLE, SUBSIDIARY
AND SUPPORTING FOUNDATIONS**
Consolidating Statement of Financial Position
June 30, 2015
(With Comparative Totals for 2014)

	Jewish Federation Funds	Endowment Fund	Seattle Jewish Transcript	Supporting Foundations	2015 Total	2014 Total
Liabilities and Net Assets						
Liabilities:						
Accounts payable and accrued expenses	\$ 224,845	\$ 29,700	\$ -	\$ -	\$ 254,545	\$ 372,021
Deferred subscription revenue						62,549
Allocations and grants payable	1,933,148			265,676	2,198,824	2,459,146
Liabilities under split interest agreements		1,390,855			1,390,855	1,442,578
Funds held on behalf of community organizations		4,730,214			4,730,214	4,482,626
Capital lease payable						12,209
Interfund balances	(985)	985				
Total Liabilities	2,157,008	6,151,754		265,676	8,574,438	8,831,129
Net Assets:						
Unrestricted-						
Undesignated	1,653,493	1,758,084		7,081,862	10,493,439	11,805,533
Designated by Board of Directors	3,098,572	15,459,247			18,557,819	9,830,809
Memorial and other funds		2,645,575			2,645,575	2,802,742
Donor Advised Funds		14,608,512			14,608,512	14,587,017
Total unrestricted	4,752,065	34,471,418		7,081,862	46,305,345	39,026,101
Restricted-						
Temporarily restricted	668,462	17,992,682			18,661,144	18,777,806
Permanently restricted		322,535			322,535	322,535
Total restricted	668,462	18,315,217			18,983,679	19,100,341
Total Net Assets	5,420,527	52,786,635		7,081,862	65,289,024	58,126,442
Total Liabilities and Net Assets	\$ 7,577,535	\$ 58,938,389	\$ -	\$ 7,347,538	\$ 73,863,462	\$ 66,957,571

See independent auditor's report.