Jewish Child and Family Services and Affiliates

Consolidated Financial Report
June 30, 2016

Contents

Independent Auditor's Report

To the Board of Directors
Jewish Child and Family Services

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of Jewish Child and Family Services and its affiliates, which comprise the consolidated statements of financial position as of June 30, 2016 and 2015, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, 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 audits 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 financial statements.

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Child and Family Services and its affiliates as of June 30, 2016 and 2015, and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Effective June 30, 2016, the net assets of Hebrew Immigrant Aid Society and Hebrew Immigrant Aid Society Endowment Foundation were acquired by Jewish Child and Family Services and Jewish Child and Family Services Endowment Foundation. See Note 2 to the financial statements for additional information. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating and other supplementary information is presented for purposes of additional analysis rather than to present the financial position, changes in net assets, and cash flows of the individual entities and is 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 consolidating and other supplementary 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.

RSM US LLP

Chicago, Illinois
January 31, 2017

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Jewish Child and Family Services and Affiliates

Consolidated Statements of Financial Position
June 30, 2016 and 2015

		2016		2015
Assets				
Cash and cash equivalents	**$**	**1,467,932**	$	1,003,403
Due from other affiliated organizations		**316,199**		637,066
Accounts receivable, net		**4,454,428**		4,732,568
Loans receivable, net		**92,934**		181,484
Prepaid expenses and other assets		**124,033**		61,615
Investments		**10,614,976**		10,598,782
Property and equipment, net		**1,479,510**		1,017,891
Endowment Foundations' assets		**23,262,700**		19,041,940
	$	**41,812,712**	$	37,274,749
Liabilities and Net Assets				
Liabilities:				
Line of credit	**$**	**-**	$	717,000
Accounts payable and accrued expenses		**1,865,872**		2,183,786
Accrued vacation		**1,035,154**		1,177,417
Due to Jewish Federation of Metropolitan Chicago		**1,225,047**		528,218
Deferred revenue and other liabilities		**775,510**		497,898
Deferred compensation payable		**62,500**		87,500
Refundable grant advances		**-**		298,982
Merger loans due to Jewish Federation of Metropolitan Chicago		**1,396,524**		1,576,902
		6,360,607		7,067,703
Net assets:				
Unrestricted:				
Undesignated		**-**		-
Designated for special purposes		**20,070,889**		15,080,368
Property and equipment funds		**4,286,091**		4,089,932
		24,356,980		19,170,300
Temporarily restricted		**2,433,002**		2,483,004
Permanently restricted		**8,662,123**		8,553,742
		35,452,105		30,207,046
	$	**41,812,712**	$	37,274,749

See notes to consolidated financial statements.

Jewish Child and Family Services and Affiliates

Consolidated Statements of Activities
Years Ended June 30, 2016 and 2015

	2016				2015			
	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue:								
Public support:								
Allocated by Jewish Federation of Metropolitan Chicago	**$ 11,038,534**	**$ -**	**$ -**	**$ 11,038,534**	$ 10,745,479	$ -	$ -	$ 10,745,479
Contributions	**4,535,940**	**924,916**	**8,381**	**5,469,237**	5,686,021	871,358	20,990	6,578,369
	15,574,474	**924,916**	**8,381**	**16,507,771**	16,431,500	871,358	20,990	17,323,848
Program-related revenue:								
Fees and grants from governmental agencies	**19,243,596**	**-**	**-**	**19,243,596**	19,972,536	-	-	19,972,536
Program service fees	**2,155,680**	**-**	**-**	**2,155,680**	2,161,587	-	-	2,161,587
	21,399,276	**-**	**-**	**21,399,276**	22,134,123	-	-	22,134,123
Other revenue:								
Agencies investment income, net	**4,137**	**112**	**-**	**4,249**	144,776	21,757	-	166,533
Net losses on Agencies investments	**(319,962)**	**(45,866)**	**-**	**(365,828)**	(78,486)	(12,909)	-	(91,395)
Endowment Foundations (loss) income	**(546,972)**	**2,350**	**-**	**(544,622)**	304,853	(11,373)	-	293,480
Other interest income	**5,522**	**-**	**-**	**5,522**	7,429	-	-	7,429
Miscellaneous income	**400,629**	**-**	**-**	**400,629**	236,157	-	-	236,157
Casualty income	**-**	**-**	**-**	**-**	396,074	-	-	396,074
Net assets released from restrictions	**1,235,460**	**(1,235,460)**	**-**	**-**	1,172,574	(1,172,574)	-	-
	778,814	**(1,278,864)**	**-**	**(500,050)**	2,183,377	(1,175,099)	-	1,008,278
	37,752,564	**(353,948)**	**8,381**	**37,406,997**	40,749,000	(303,741)	20,990	40,466,249

See notes to consolidated financial statements.

Jewish Child and Family Services and Affiliates

Consolidated Statements of Activities (Continued)
Years Ended June 30, 2016 and 2015

	2016				2015			
	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Expenses:								
Program services:								
Counseling and support	**$ 12,508,894**	**$ -**	**$ -**	**$ 12,508,894**	$ 14,868,374	$ -	$ -	$ 14,868,374
Rehabilitation and skills training services	**5,309,842**	**-**	**-**	**5,309,842**	7,033,794	-	-	7,033,794
Foster care	**2,928,075**	**-**	**-**	**2,928,075**	2,264,565	-	-	2,264,565
Residential services	**5,959,695**	**-**	**-**	**5,959,695**	5,437,517	-	-	5,437,517
Education services	**5,875,130**	**-**	**-**	**5,875,130**	5,738,114	-	-	5,738,114
Therapeutic pediatric services	**1,187,115**	**-**	**-**	**1,187,115**	1,171,423	-	-	1,171,423
	33,768,751	**-**	**-**	**33,768,751**	36,513,787	-	-	36,513,787
Supporting services:								
Management and general	**3,883,642**	**-**	**-**	**3,883,642**	3,714,020	-	-	3,714,020
Fundraising	**996,367**	**-**	**-**	**996,367**	1,016,439	-	-	1,016,439
	4,880,009	**-**	**-**	**4,880,009**	4,730,459	-	-	4,730,459
	38,648,760	**-**	**-**	**38,648,760**	41,244,246	-	-	41,244,246
(Decrease) increase in net assets before other changes	**(896,196)**	**(353,948)**	**8,381**	**(1,241,763)**	(495,246)	(303,741)	20,990	(777,997)
Other changes in net assets:								
Inherent contribution of Hebrew Immigrant Aid Society net assets	**6,204,443**	**182,379**	**100,000**	**6,486,822**	-	-	-	-
Other transfers	**(121,567)**	**121,567**	**-**	**-**	(119,416)	119,416	-	-
	6,082,876	**303,946**	**100,000**	**6,486,822**	(119,416)	119,416	-	-
Increase (decrease) in net assets	**5,186,680**	**(50,002)**	**108,381**	**5,245,059**	(614,662)	(184,325)	20,990	(777,997)
Net assets:								
Beginning of year	**19,170,300**	**2,483,004**	**8,553,742**	**30,207,046**	19,784,962	2,667,329	8,532,752	30,985,043
End of year	**$ 24,356,980**	**$ 2,433,002**	**$ 8,662,123**	**$ 35,452,105**	$ 19,170,300	$ 2,483,004	$ 8,553,742	$ 30,207,046

See notes to consolidated financial statements.

Jewish Child and Family Services and Affiliates

Consolidated Statement of Functional Expenses
Year Ended June 30, 2016

	Program Services										
	JCFS					JVS			Supporting Services		
	Counseling and Support	Foster Care	Residential Services	Education Services	Therapeutic Pediatric Services	Rehabilitation and Skills Training Services	Job Counseling and Placement Services	Total Program Services	Management and General	Fundraising	Total
Functional expenses:											
Salaries	$ 6,253,241	$ 980,866	$ 3,398,662	$ 3,490,585	$ 627,236	$ 1,507,852	$ 815,344	$ 17,073,786	$ 1,997,894	$ 559,896	$ 19,631,576
Employee health and retirement benefits and payroll tax	1,786,888	273,172	961,297	1,002,401	179,475	580,900	316,276	5,100,409	544,575	169,466	5,814,450
	8,040,129	1,254,038	4,359,959	4,492,986	806,711	2,088,752	1,131,620	22,174,195	2,542,469	729,362	25,446,026
Professional fees and contract service payments	630,197	232,006	286,566	224,430	18,278	463,182	105,356	1,960,015	611,149	25,946	2,597,110
Supplies	227,529	48,728	340,293	201,604	127,406	145,375	20,382	1,111,317	34,551	21,153	1,167,021
Telephone	76,723	28,238	74,209	31,585	5,017	87,290	30,426	333,488	19,962	3,841	357,291
Postage and delivery	24,031	5,014	2,480	6,873	2,009	133	229	40,769	13,383	11,628	65,780
Occupancy	1,100,890	183,230	562,951	733,403	172,544	243,063	119,612	3,115,693	290,143	58,829	3,464,665
Equipment purchases, rentals, and repairs	12,050	2,921	2,177	8,288	1,099	49,361	28,333	104,229	11,618	2,193	118,040
Software purchases and maintenance	43,205	8,371	26,158	29,487	3,139	-	-	110,360	21,514	9,572	141,446
Marketing and advertising	40,806	2,812	6,289	6,792	14,808	2,033	9,961	83,501	10,466	66,863	160,830
Local transportation	110,221	205,867	67,707	7,855	18,272	55,486	12,193	477,601	18,967	5,753	502,321
Conferences, conventions, meetings, and major trips	49,828	13,055	20,040	18,433	5,168	4,454	3,841	114,819	64,784	20,392	199,995
Subscriptions and reference publications	5,652	26	81	685	44	-	2,288	8,776	1,488	-	10,264
Specific assistance to individuals	292,309	917,127	100,644	5,015	74	2,123,272	114,270	3,552,711	-	-	3,552,711
Membership dues	29,395	4,772	16,760	17,272	1,902	638	1,460	72,199	28,101	-	100,300
Miscellaneous expense	107,343	12,978	51,968	45,225	4,867	30,024	57,973	310,378	106,801	37,670	454,849
	10,790,308	2,919,183	5,918,282	5,829,933	1,181,338	5,293,063	1,637,944	33,570,051	3,775,396	993,202	38,338,649
Depreciation	63,863	8,892	41,413	45,197	5,777	16,779	16,779	198,700	108,246	3,165	310,111
	$ 10,854,171	$ 2,928,075	$ 5,959,695	$ 5,875,130	$ 1,187,115	$ 5,309,842	$ 1,654,723	$ 33,768,751	$ 3,883,642	$ 996,367	$ 38,648,760

See notes to consolidated financial statements.

Jewish Child and Family Services and Affiliates

Consolidated Statement of Functional Expenses
Year Ended June 30, 2015

	Program Services										
	JCFS					JVS			Supporting Services		
	Counseling and Support	Foster Care	Residential Services	Education Services	Therapeutic Pediatric Services	Rehabilitation and Skills Training Services	Job Counseling and Placement Services	Total Program Services	Management and General	Fundraising	Total
Functional expenses:											
Salaries	$ 6,533,154	$ 815,623	$ 3,052,254	$ 3,436,901	$ 647,186	$ 2,005,607	$ 1,300,106	$ 17,790,831	$ 2,042,732	$ 582,015	$ 20,415,578
Employee health and retirement benefits and payroll tax	1,835,351	217,398	839,560	977,659	178,892	701,020	456,125	5,206,005	594,256	169,813	5,970,074
	8,368,505	1,033,021	3,891,814	4,414,560	826,078	2,706,627	1,756,231	22,996,836	2,636,988	751,828	26,385,652
Professional fees and contract service payments	673,636	151,023	301,800	230,903	18,567	697,888	119,492	2,193,309	438,516	21,615	2,653,440
Supplies	259,376	33,857	314,413	149,695	109,807	347,457	24,641	1,239,246	25,927	28,048	1,293,221
Telephone	79,345	26,330	57,579	30,829	4,636	89,549	40,930	329,198	19,915	5,018	354,131
Postage and delivery	28,433	4,662	2,909	6,003	1,833	136	652	44,628	12,398	13,146	70,172
Occupancy	1,209,381	151,374	587,300	739,984	175,534	260,425	194,529	3,318,527	206,021	68,124	3,592,672
Equipment purchases, rentals, and repairs	12,962	1,544	2,952	7,361	1,114	41,608	27,276	94,817	5,561	1,491	101,869
Software purchases and maintenance	20,625	2,426	9,704	12,028	1,213	4,974	5,519	56,489	40,368	10,648	107,505
Marketing and advertising	61,587	1,117	4,516	5,215	4,737	848	1,394	79,414	5,821	67,847	153,082
Local transportation	117,855	159,363	57,098	7,571	11,336	69,594	26,498	449,315	22,237	6,343	477,895
Conferences, conventions, meetings, and major trips	42,504	3,422	5,821	14,552	1,684	9,171	8,064	85,218	55,942	1,668	142,828
Subscriptions and reference publications	9,118	444	462	1,280	236	-	2,125	13,665	3,372	-	17,037
Specific assistance to individuals	1,230,161	672,565	68,961	2,684	83	2,759,011	269,119	5,002,584	-	-	5,002,584
Membership dues	19,196	1,919	7,702	9,804	904	424	598	40,547	27,085	-	67,632
Miscellaneous expense	118,487	10,369	77,110	47,988	5,184	31,269	37,722	328,129	85,509	37,542	451,180
	12,251,171	2,253,436	5,390,141	5,680,457	1,162,946	7,018,981	2,514,790	36,271,922	3,585,660	1,013,318	40,870,900
Depreciation	87,600	11,129	47,376	57,657	8,477	14,813	14,813	241,865	128,360	3,121	373,346
	$ 12,338,771	$ 2,264,565	$ 5,437,517	$ 5,738,114	$ 1,171,423	$ 7,033,794	$ 2,529,603	$ 36,513,787	$ 3,714,020	$ 1,016,439	$ 41,244,246

See notes to consolidated financial statements.

Jewish Child and Family Services and Affiliates

Consolidated Statements of Cash Flows
Years Ended June 30, 2016 and 2015

		2016		2015
Cash flows from operating activities:				
Increase (decrease) in net assets	**$**	**5,245,059**	$	(777,997)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:				
Depreciation		**310,111**		373,346
Loss on disposition of property and equipment		**-**		50,813
Allowance for doubtful accounts and notes receivable		**(67,281)**		(19,097)
Losses on Agency investments		**365,828**		91,395
Losses on Endowment Foundation investments		**602,499**		129,189
Inherent contribution recorded upon consolidation of Hebrew Immigration Aid Society		**(6,486,822)**		-
Changes in:				
Due from other affiliated organizations		**321,267**		(212,532)
Accounts receivable		**390,425**		2,245
Loans receivable		**116,827**		93,032
Prepaid expenses and other assets		**(62,418)**		(35,415)
Endowment Foundation receivables and other assets		**19,780**		34,576
Accounts payable and accrued expenses		**(317,914)**		(82,097)
Accrued vacation		**(142,263)**		90,754
Due to Jewish Federation of Metropolitan Chicago		**614,261**		(173,262)
Deferred revenue and other liabilities		**276,362**		(469,692)
Deferred compensation payable		**(25,000)**		(25,000)
Refundable grant advances		**(298,982)**		-
Net cash provided by (used in) operating activities		**861,739**		(929,742)
Cash flows from investing activities:				
Purchases of property and equipment		**(771,730)**		(385,567)
Purchases of Agencies' investments		**(897)**		(651,715)
Purchases of Endowment Foundation investments		**(165,027)**		(472,622)
Proceeds from sale of Agencies' investments		**-**		119,107
Proceeds from sales of Endowment Foundation investments		**1,248,880**		1,221,565
Cash and cash equivalents acquired in consolidation of HIAS		**188,942**		-
Net cash provided by (used in) investing activities		**500,168**		(169,232)
Cash flows from financing activities:				
Net (repayments of) borrowings on line of credit		**(717,000)**		250,000
Repayments of notes payable		**-**		(10,000)
Repayments of merger loan		**(180,378)**		(102,104)
Net cash (used in) provided by financing activities		**(897,378)**		137,896
Increase (decrease) in cash and cash equivalents		**464,529**		(961,078)
Cash and cash equivalents:				
Beginning of year		**1,003,403**		1,964,481
End of year	**$**	**1,467,932**	$	1,003,403

See notes to consolidated financial statements.

Jewish Child and Family Services and Affiliates

Consolidated Statements of Cash Flows (Continued)
Years Ended June 30, 2016 and 2015

	2016	2015
Supplemental disclosure of cash flow information:		
Interest paid	**$ 10,893**	$ 14,147
Inherent contribution of HIAS net assets (see Note 2):		
Fair value of net assets acquired (including cash of $188,942)	**$ 6,569,390**	$ -
Effective settlement of amount due from HIAS upon consoildation	**(82,568)**	-
	$ 6,486,822	$ -

See notes to consolidated financial statements.

Note 1. Organization and Significant Accounting Policies

Jewish Child and Family Services (JCFS) is a comprehensive social service agency that provides services to children, adults and families who reside in the Chicago, Illinois metropolitan area. Activities, which are funded primarily through government contracts and fees and subsidies received from an affiliated organization, include education, residential and child welfare services, counseling and support, services for people with disabilities and community support services.

In accordance with the terms of the Agreement and Plan of Merger between JCFS and the Hebrew Immigrant Aid Society of Chicago (HIAS), JCFS in effect acquired HIAS net assets, effective June 30, 2016 (the transaction). JCFS is the surviving corporation and HIAS ceases to exist. In accordance with a similar agreement, the net assets of the Hebrew Immigrant Aid Society of Chicago Endowment Foundation (HIAS Endowment Foundation) were acquired by the Jewish Child and Family Services Endowment Foundation (JCFS Endowment Foundation), and the separate existence of HIAS Endowment Foundation ceased (JCFS Endowment Foundation is the surviving corporation), effective on the same date. HIAS was an affiliated nonprofit social service agency whose mission was to guide Jewish immigrants and others through the immigration process to gain citizenship in the United States. The entities determined that they could better serve the community and realize greater efficiencies by coordinating their activities.

The transaction is reflected on the statement of activities as an inherent contribution of HIAS net assets, and the assets, liabilities and net assets are now reported by the surviving corporations and included in the consolidated statement of financial position at June 30, 2016. All designated or restricted funds which were acquired will continue to be accounted for as such and distributions therefrom are to be made in accordance with the donor restrictions.

Various affiliated entities are included in these consolidated financial statements.

Jewish Vocational Service and Employment Center (JVS) is a private nonprofit social service agency that provides services to occupationally disadvantaged residents of metropolitan Chicago for the purpose of facilitating and maximizing the acquisition of employment and educational skills and opportunities. JVS is funded primarily by government grants and fees for services, program service fees and contributions from the general public and an appropriation from the Jewish Federation of Metropolitan Chicago.

On July 1, 2013, JCFS entered into an Alliance Agreement with JVS whereby the separate organizations agreed to continue and expand their relationship to work together to further their respective purposes and missions. Under this expanded Alliance Agreement, JVS amended its by-laws to allow JCFS to become the sole corporate member of JVS effective July 1, 2013. Sole corporate membership in another nonprofit organization represents controlling interest, requiring consolidation. As a result, the financial statements of JVS are consolidated within these financial statements, although each organization continues to maintain its own separate legal existence.

The JCFS Endowment Foundation) and the Jewish Vocational Service Endowment Foundation (JVS Endowment Foundation) (collectively, Endowment Foundations) are nonprofit organizations whose purpose is to receive and hold endowment-type contributions for the benefit of JCFS and JVS, respectively. The financial accounts of the Endowment Foundations are consolidated within (the financial statements of JCFS and JVS, and) these financial statements because JCFS and JVS have control and economic interests in the respective entities.

Note 1. Organization and Significant Accounting Policies (Continued)

JCFS and JVS (collectively, the Agencies), Illinois nonprofit corporations, and the Endowment Foundations are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (Code) and applicable state law, except for taxes pertaining to unrelated business income, if any. The Endowment Foundations are each classified as a supporting foundation under Section 509(a)(3) of the Code.

The Agencies and the Endowment Foundations are affiliated with the Jewish Federation of Metropolitan Chicago (Jewish Federation), as more fully described in Note 3.Significant accounting policies are as follows:

Basis of presentation: The Agencies' financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). For financial reporting purposes, net assets and related activity for the Agencies' funds are classified as unrestricted, temporarily restricted or permanently restricted, based on the existence or absence of donor-imposed restrictions.

The Agencies' unrestricted funds are available for support of the Agencies' operations and are not subject to donor-imposed restrictions. Special-purpose funds have been internally designated for certain programs or uses.

Temporarily restricted net assets represent net assets subject to donor-imposed restrictions that will be met either by the Agencies' actions or the passage of time. Temporarily restricted net assets are reclassified to unrestricted net assets when the restrictions are met or have expired. These restrictions are reported in the consolidated statement of activities as net assets released from restrictions.

The Agencies' permanently restricted net assets represent funds subject to the restrictions of gift instruments requiring the principal to be maintained intact. Investment income, including realized and unrealized gains and losses, are classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Agencies in a manner consistent with the standard of prudence prescribed by the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Consolidation: These financial statements have been prepared on a consolidated basis, whereby the financial statements include the accounts of the Agencies as well as those of their respective Endowment Foundations. Any intercompany accounts and transactions, such as annual Endowment Foundations' distributions received by the Agencies, are eliminated in consolidation.

Cash and cash equivalents: The Agencies consider all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. At June 30, 2016 and 2015, cash equivalents are comprised entirely of money market funds. Cash and cash equivalents at times may exceed federally insured limits; however, the Agencies have not experienced any losses in such accounts. The Agencies believe they are not exposed to any significant credit risk on cash and cash equivalents.

Accounts receivable: Accounts receivable represents amounts due for reimbursement of program services and related revenue, the majority of which is due from governmental agencies. The amounts are stated net of an allowance for doubtful accounts of $380,315 and $341,311 as of June 30 2016 and 2015, respectively, which management determines based on historical experience and analysis of specific accounts. Uncollectible amounts are written off in the year they are deemed to be worthless.

Note 1. Organization and Significant Accounting Policies (Continued)

Loans receivable: JVS has a microloan program whereby loans are made to start-up businesses and individual entrepreneurs. The loan portfolio consists of first mortgages on real property. Loan maturities are generally up to three years, with interest on loans being accrued over the term of the loan based on the amount of principal outstanding.

The accrual of interest on loans is generally discontinued at the time the loan is 90 days past due unless the loan is well secured and in the process of collection. Past due status is generally based on contractual terms of the loan. Loans are placed on nonaccrual status or charged off at an earlier date if collection of principal or interest is considered doubtful.

Any interest accrued but not collected for loans that are placed on nonaccrual status or charged off is reversed against interest income. The interest on these loans is accounted for on the cash basis or cost recovery method until qualifying for return to accrual status. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. Loans renegotiated in troubled debt restructurings are those loans on which concessions in terms have been granted because of a borrower’s financial difficulty.

Allowance for loan losses: The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to income. Loans are charged against the allowance for loan losses when management believes the uncollectibility of the principal is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for loan losses is evaluated on a regular basis by management and is based upon management’s periodic review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower’s ability to repay, and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

The allowance consists of allocated and general components. The allocated component relates to loans that are considered to be impaired. For those loans that are considered to be impaired, an allowance is established when the discounted cash flows of the impaired loan is lower than the carrying value of that loan. The general component covers non-impaired loans and is based on historical loss experience. Other adjustments may be made to the allowance for loans after an assessment of internal or external influences on credit quality that are not fully reflected in the historical loss.

Loans are considered impaired when, based on current information and events, it is probable that JVS will not be able to collect all amounts due according to the contractual terms of the agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. The impairment is measured based on the present value of expected future cash flows or, alternatively, the observable market price of the loans. The amount of impairment, if any, and any subsequent changes are included in the allowance for loan losses.

Investments: The Agencies’ and the Endowment Foundations’ by-laws provide that all of its liquid assets are to be invested in the JFMC Pooled Endowment Portfolio, LLC (PEP), which is maintained by the Jewish Federation. The investment in the PEP is recorded at fair value. The Agencies and Endowment Foundations record investment transactions on a trade-date basis. Realized gains and losses on investment transactions and change in unrealized gain/(loss) on investments are reported as such on the consolidated statements of activities. Interest income is recognized under the accrual basis. Dividend income is recognized on the ex-dividend date.

Note 1. Organization and Significant Accounting Policies (Continued)

Remainder interests in charitable gift annuities: The Endowment Foundations are named as the designated beneficiaries of numerous remainder interests in charitable gift annuities held and administered by the Jewish Federation. The Endowment Foundations value their remainder interests in charitable gift annuities at fair value based upon the fair value of the charitable gift annuity assets less the fair value of the liability. The proceeds received from charitable gift annuities are released from restrictions upon the death of the annuitant.

Property and equipment: Property and equipment purchases of $1,000 or more are recorded at cost if purchased, or fair value if donated, and depreciated over their estimated useful lives on a straight-line basis, with the exception of leasehold improvements which are amortized over the terms of the respective leases, which are 15 years. The estimated useful lives for determining depreciation are 25 to 30 years for buildings and building improvements and five to seven years for equipment, software, furniture and vehicles.

Accrued vacation: The Agencies record an accrued liability for employees' earned but unused vacation time totaling $1,035,154 and $1,177,417 at June 30, 2016 and 2015, respectively.

Deferred revenue and other liabilities: The Agencies often receive funds from grants and other sources under fee-for-service arrangements, prior to the related expenses being incurred. These funds are reported as deferred revenue and other liabilities in the consolidated financial statements.

Revenue recognition: Contributions, including unconditional promises to give, are recorded as revenue in the period the promises are received at their fair value. Bequests from estates are generally recognized after the probate court declares the will valid. Grants are recognized when earned, which is generally when qualifying expenses have been incurred and all other grant requirements have been met. Fees from governmental agencies primarily represent performance-based contracts for services that are billed to governmental agencies and recognized as revenue as the work is performed.

Donated services: A substantial number of volunteers have donated significant time to the Agencies' activities. However, only those services that meet the criteria for recognition are reflected in the consolidated financial statements. During fiscal year 2016, JCFS and JVS received donated services of $157,500 and $6,548, respectively. As of June 30, 2015, JCFS and JVS received donated services of $143,910 and $0, respectively. These amounts are included within contributions revenues in the consolidated statements of activities.

Functional expenses: Operating expenses directly identified with a functional area are charged to that area, and where those expenses affect more than one area, they are allocated to functional areas in proportion to the benefit each area receives from those costs.

Income taxes: The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Agencies may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the entities and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. At June 30, 2016 and 2015, there were no unrecognized tax benefits identified or recorded as liabilities for the reporting periods presented in these consolidated financial statements.

Note 1. Organization and Significant Accounting Policies (Continued)

The Agencies and Endowment Foundations file Form 990 annual information returns in the U.S. federal jurisdiction and the State of Illinois, and are generally no longer subject to examination by the Internal Revenue Service for years before 2013.

Use of estimates: In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions affecting the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recent accounting pronouncements: In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP. Early adoption is permitted. The updated standard will be effective for the Agencies' 2020 consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Key elements of the ASU include a reduction in the number of net asset categories from three to two, conforming requirements on releases of capital restrictions, several new requirements related to expense presentation and disclosure (including investment expenses), and new required disclosures communicating information useful in assessing liquidity. The new standard is effective for the Agencies in the fiscal year ending 2019 consolidated financial statements early adoption is allowed.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842).* The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases.* Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard will be effective for the Agencies' 2021 consolidated financial statements.

The Agencies are currently evaluating the impact of the adoption of the standards on its consolidated financial statements.

Reclassification: Certain items on the 2015 consolidated financial statements have been reclassified to conform to the 2016 presentation. These reclassifications have no effect on the 2015 net assets or change in net assets.

Subsequent events: The Agencies have evaluated subsequent events for potential recognition and/or disclosures through January 31, 2017, the date the consolidated financial statements were available to be issued.

Note 2. Inherent Contribution of Net Assets from Hebrew Immigrant Aid Society of Chicago and Hebrew Immigrant Aid Society of Chicago Endowment Foundation

The inherent contribution of net assets from HIAS and HIAS Endowment Foundation effective with the June 30, 2016 transaction, consisting of HIAS and HIAS Endowment Foundation assets, liabilities and net assets, which are now included in JCFS's statement of financial position at June 30,2016, were as follows:

	HIAS	HIAS Endowment Foundation	Total
Fair value of assets acquired:			
Cash	$ 188,942	$ -	$ 188,942
Grants receivable	4,641	-	4,641
Due from Jewish Federation of Metropolitan Chicago	-	400	400
Due from Hebrew Immigrant Aid Society	-	66,214	66,214
Pledges receivable, net	-	68,640	68,640
Investment	381,125	5,926,892	6,308,017
	$ 574,708	$ 6,062,146	$ 6,636,854
Fair value of liabilities assumed:			
Due to Jewish Child and Family Services	$ 82,568	$ -	$ 82,568
Deferred revenue	1,250	-	1,250
Loan payable to HIAS Endowment Foundation	66,214	-	66,214
	$ 150,032	$ -	$ 150,032
Inherent contribution of net assets	$ 424,676	$ 6,062,146	$ 6,486,822
Net assets classification:			
Unrestricted	$ 355,575	$ 5,848,868	$ 6,204,443
Temporarily restricted	69,101	113,278	182,379
Permanently restricted	-	100,000	100,000
	$ 424,676	$ 6,062,146	$ 6,486,822

No cash consideration was received or paid as part of the transaction. JCFS and the JCFS Endowment Foundation followed the *Business Combinations* Topics of the Accounting Standards Codification, which required the acquisition method to be used in accounting for the transaction; no identifiable intangible assets were recorded.

Note 3. Affiliated Organizations

Jewish Federation: The Agencies are affiliates of the Jewish Federation. Pursuant to their affiliation agreements, the Jewish Federation provides an allocation of funds to the Agencies' unrestricted funds. The Jewish Federation subsidy totaled $11,038,534 and $10,745,479 for the Agencies for the years ended June 30, 2016 and 2015, respectively.

In accordance with the affiliation agreements, the Agencies may not negotiate any merger or material transfer of assets without approval of the Jewish Federation, and in the event of any liquidation of the Agencies, the net proceeds are to be distributed to the Jewish Federation.

Note 3. Affiliated Organizations (Continued)

JVS manages the Jewish Federation scholarship program for which JVS received scholarship funds from the Jewish Federation of $416,211 and $411,935 during fiscal years 2016 and 2015, respectively. JVS distributed scholarships totaling $413,961 and $410,075 during fiscal years 2016 and 2015, respectively. JVS reflects scholarship funds as temporarily restricted funds until awarded to the recipient. The temporarily restricted scholarship fund balance was $4,109 and $1,860 at June 30, 2016 and 2015, respectively.

The Agencies lease office and facility space from the JFMC Facilities Corporation, an affiliate of the Jewish Federation.

The Agencies participate with the Jewish Federation and its other affiliated agencies in self-insurance programs for health and dental insurance. All self-insurance programs of the Jewish Federation and its affiliated agencies include specific and aggregate stop loss insurance policies. Contributions by JCFS and JVS for such coverage during fiscal year 2016 (made to the Jewish Federation, as custodian for these programs) amounted to $1,223,446 and $242,711, respectively. Contributions by JCFS and JVS for such coverage during fiscal year 2015 (made to the Jewish Federation, as custodian for these programs) amounted to $999,493 and $272,527, respectively.

Amount shown as Due to Jewish Federation on the consolidated statements of financial position as of June 30, 2016 and 2015, comprise primarily payments due under the various agreements between the Agencies and the Jewish Federation for information technology services, occupancy and self-insurance programs.

During fiscal year 2013, JCFS entered into an agreement whereby funds from the Jewish Federation are available to JCFS in an amount equivalent to costs incurred for the various phases of the July 1, 2013 alliance between JCFS and JVS. As of June 30, 2016 and 2015, JCFS has incurred various alliance-related costs and has outstanding balances of $393,124 and $498,502, respectively, due to the Jewish Federation. Repayments, with interest of 1.53 percent, are required in installments over a five-year period beginning in July 2014.

In addition, the Jewish Federation had previously made an interest-free loan to JCFS to pay merger-related costs related to a 2006 merger; the outstanding balance was $1,003,400 and $1,078,400 at June 30, 2016 and 2015, respectively. The loan is payable through July 2030.

The total future maturities of these two merger loans are as follows:

2017	$ 180,121
2018	180,121
2019	180,121
2020	153,017
2021	75,000
Thereafter	628,144
	$ 1,396,524

HIAS: Pursuant to a management agreement with the Hebrew Immigrant Aid Society of Chicago (HIAS) and prior to the acquisition of HIAS net assets on June 30, 2016, JCFS managed HIAS' professional service programs, policy development, personnel and office management, and financial matters, except for fundraising activities.

Note 3. Affiliated Organizations (Continued)

HIAS was an organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law, and had agreed that all program income and earnings of HIAS are to be turned over to JCFS at the end of each calendar quarter (to be earmarked for HIAS' operations) and JCFS has assumed all the costs and expenses relating to HIAS' operations. Accordingly, the operating revenue and expenses of HIAS are included in JCFS' operating activities. Total HIAS revenues and expenses (which were equivalent) included in JCFS' consolidated statements of activities were $587,320 and $635,938 for 2016 and 2015, respectively.

Auxiliaries: JCFS has one active auxiliary organized for the purpose of raising funds to be used for various programs of JCFS. The North Shore Auxiliary of Jewish Child and Family Services is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law. Revenue recorded from the North Shore Auxiliary of Jewish Child and Family Services totaled $34,000 and $150,000, respectively, during the years ended June 30, 2016 and 2015. The accounts of the North Shore Auxiliary of Jewish Child and Family Services are not included in the consolidated financial statements because they do not meet the criteria requiring consolidation.

Note 4. Investments and Fair Value Measurements

The Agencies' and the Endowment Foundations' investments are invested in the PEP at June 30, 2016 and 2015, as follows:

	2016			2015		
	JCFS	JVS	Total	JCFS	JVS	Total
Agency investments	$ 8,720,150	$ 1,894,826	$ 10,614,976	$ 8,636,460	$ 1,962,322	$ 10,598,782
Endowment Foundations	18,916,075	4,106,141	23,022,216	14,171,164	4,610,512	18,781,676
	$ 27,636,225	$ 6,000,967	$ 33,637,192	$ 22,807,624	$ 6,572,834	$ 29,380,458

As described in Note 1, the Agencies and the Endowment Foundations record their investments at fair value. Fair value is 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 and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2. Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3. Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

Note 4. Investments and Fair Value Measurements (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Agencies' and Endowment Foundations' assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. The following section describes the valuation techniques used by the Agencies and Endowment Foundations to measure their financial instruments at fair value and includes the level within the fair value hierarchy in which the financial instrument is categorized.

The Agencies' and Endowment Foundations' investments represent their allocable share in the PEP and are measured at fair value using the net asset value per share (NAV) practical expedient and have not been categorized in the fair value hierarchy.

Investments in non-registered investment companies consisting of certain hedged equity funds, absolute return funds, venture capital funds, buyout funds, distressed, special situation funds, real estate funds, alternative fixed income funds, national resource funds, and public inflation funds are valued at fair value based on the applicable percentage of ownership of the underlying investment entities' net assets as of the measurement date as determined by the Agencies and Endowment Foundations, commonly referred to as the practical expedient. In determining fair value, the Agencies and Endowment Foundations utilize valuations provided by the underlying investment entities. The underlying investment entities value securities and other financial instruments on a fair value based upon market price, when possible, or at fair value determined by the respective entities' investment manager when no market price is determinable. Although the Agencies and Endowment Foundations use their best judgment in estimating fair value of alternative investments, there are inherent limitations in any estimation technique. The estimated fair values of certain of the investments of the underlying investment entities, which may include derivatives, securities and other designated or side pocketed investments for which prices are not readily available, may not reflect amounts that could be realized upon immediate sale, nor amounts that may be ultimately realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments, and differences could be material.

The practical expedient allows for investments in non-registered investment companies, to be valued at NAV which represents fair value. The Agencies and Endowment Foundations classify these investments using NAV within the fair value measurement table.

The Federation is the manager and administrator of the PEP and is also the majority owner of the PEP. As the manager, the Jewish Federation owned 86.5 percent of the PEP as of June 30, 2016, and the Agencies and the Endowment Foundations, respectively, had 1.41 and 3.12 percent interest in the Jewish Federation's portion of the PEP for the same reporting period. As of June 30, 2015, the Jewish Federation owned 85.7 percent of the PEP and the Agencies and the Endowment Foundations, respectively, had 1.44 and 2.56 percent interest in the Jewish Federation's portion of the PEP for the same reporting period.

The PEP invests in various types of investments, including mutual funds, equity and debt securities, alternative investments and other investment vehicles. The Agencies and the Endowment Foundations do not own or have any interest in the underlying investments held by the PEP. The Agencies and the Endowment Foundations have the ability to contribute funds or withdraw funds from its account on the first day of each month. Withdrawal requests are required to be submitted to the PEP in writing at least 15 days prior to the beginning of each month and withdrawals representing more than 80 percent of an investor's assets are paid within 60 days.

Note 4. Investments and Fair Value Measurements (Continued)

The PEP's investment in money market funds, mutual funds, exchange-traded funds, and securities traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported sales price on the day of valuation. Precious metals are valued based on the closing spot price, derived from the over-the-counter precious metals trading market.

The PEP's investment in preferred stock and other equities traded on inactive markets or valued by reference to similar instruments are categorized as Level 2 in the fair value hierarchy. Investments in government securities and bonds and corporate notes and debt securities which are traded on a national securities exchange or market are valued at the mean between the current "bid" and "asked" quotations on that day. If a reliable bid and asked quotation cannot be obtained from a national securities exchange, the security is priced at the mean between the bid and asked quotation of a reliable market maker. If the investments are not traded on an exchange, they are stated at cost plus accrued interest, which approximates the fair value.

The PEP's investments in alternative investments and other investment vehicles are stated at fair value based on the applicable percentage ownership of the investment funds' net assets as of the measurement date, as determined by the PEP. In determining fair value, the PEP utilizes valuations and other information provided by the underlying investment funds. The underlying investment funds value securities and other financial instruments substantially on a fair value basis of accounting. The estimated fair values of certain investments of the underlying investment funds, which may include private placements and other securities for which prices are not readily available, are determined by the managers of the respective investment fund and may not reflect amounts that ultimately may be realized. The fair value of the PEP's alternative investments generally represents the amount expected to be received if the PEP were to liquidate its alternative investments, excluding any redemption charges that may apply. Accordingly, the estimated fair values of the alternative investments may differ significantly from the values that would have been used had a ready market existed for these investments.

As of June 30, 2016, $783,200 and $8,653,286 of the Endowment Foundations' investment in the PEP is temporarily restricted and permanently restricted, respectively.

The Endowment Foundations' remainder interests in charitable gift annuities are classified as Level 3.

The Endowment Foundations value their remainder interest in a charitable gift annuity at residual value based upon the fair value of the charitable gift annuity assets less the fair value of the liability. The remainder interest is computed and measured at fair value using a present value discount rate ranging from 4.00 to 7.00 percent. In computing the remainder interest, management considers the estimated return on invested assets and the contractual payment obligation during the expected term of the annuity agreement based on the 2015 IRS Life Expectancy Tables. Contribution income and changes in fair value are recorded in temporarily restricted net assets as the Endowment Foundations will not receive control of the value of the interest until the death of the annuitant beneficiary.

Note 4 Investments and Fair Value Measurements (Continued)

The following table presents a reconciliation of activity for the Level 3 financial interests at June 30, 2016 and 2015:

	Remainder Interest	
	2016	2015
Balance, beginning of year	$ 212,515	$ 225,785
Additions	32,758	7,549
Net change in unrealized loss	(34,251)	(20,819)
Releases (liquidation) from restrictions	(63,318)	-
Balance, end of year	$ 147,704	$ 212,515

The Agencies and Endowment Foundations assess the levels of the financial instruments at each measurement date and transfers between levels are recognized on the actual date of the event or change in circumstance that caused the transfer in accordance with the Agencies' and Endowment Foundations' accounting policy regarding recognition of transfers between levels of the fair value hierarchy. There were no such transfers for the years ended June 30, 2016 and 2015.

The Agencies and the Endowment Foundations, through their investment in the PEP, enter into transactions with a variety of securities and derivative financial instruments. These derivative financials instruments may have market and/or credit risk in excess of the amounts recorded in the consolidated statements of financial position.

Market risk of investment: Market risk arises primarily from changes in the market value of financial instruments. Exposure to market risk is influenced by a number of factors, including the relationships between financial instruments, and the volatility and liquidity in the markets in which the financial instruments are traded. In many cases, the use of financial instruments serves to modify or offset market risk associated with other transactions and, accordingly, serves to decrease the overall exposure to market risk. The Jewish Federation attempts to control the PEP's exposure to market risk through various analytical monitoring techniques.

Credit risk: Credit risk arises primarily from the potential inability of counterparties to perform in accordance with the terms of a contract. Exposure to credit risk associated with counterparty nonperformance is limited to the current cost to replace all contracts in which there is a gain. Exchange-traded financial instruments generally do not give rise to significant counterparty exposure due to the cash settlement procedures for daily market movements and the margin requirements of individual exchanges.

Concentration of credit risk: The Agencies and the Endowment Foundations generally invest excess cash assets in the PEP. In the event the PEP does not fulfill its obligations, the Agencies and the Endowment Foundations may be exposed to risk. This risk of default depends on the creditworthiness of the counterparty to these transactions. The PEP attempts to minimize this credit risk by monitoring the creditworthiness of its counterparties.

Investment in funds: The managers of underlying investment funds in which the PEP invests may utilize derivative instruments with off-balance sheet risk. The Agencies' and the Endowment Foundations' exposure of risk is limited to their allocable share of the PEP's investment.

Note 4. Investments and Fair Value Measurements (Continued)

As of June 30, 2016 and 2015, the PEP was invested as follows:

	2016		2015	
	Percentage of total PEP	Approximate Hierarchy Level within the PEP	Percentage of total PEP	Approximate Hierarchy Level within the PEP
Equity:				
U.S. Large Cap Equity	3 %	1-NAV	5 %	1-NAV
U.S. Small Cap Equity	8	1-NAV	8	1-NAV
Developed International Equity	9	1-NAV	11	1-NAV
Emerging Markets Equity	6	1-NAV	5	1-NAV
Hedge Equity	14	NAV	15	NAV
Private Equity	11	NAV	12	NAV
Credit:				
Core Credit	5	1-NAV	4	1-NAV
Non Core Credit	2	1-NAV	5	1-NAV
Hedged Credit	9	NAV	4	NAV
Private Credit	1	NAV	-	NAV
Cash	6	1	5	1
U.S. Treasury Bill	1	1	1	1
Commodities	4	1	3	1
Real Assets	5	NAV	5	NAV
Real Estate	9	NAV	10	NAV
Opportunistic	7	NAV	7	NAV
	100 %		100 %	

Note 5. Endowment Foundations

The Endowment Foundations were created pursuant to a 1999 agreement between the Jewish Federation and the Agencies. In accordance with the original agreements and any subsequent amendments, the Agencies have agreed to transfer to their respective Endowment Foundations all endowment gifts and all amounts received in excess of $25,000 from each non-endowment gift, bequest, and devise it receives, and the Jewish Federation has agreed to transfer to the Endowment Foundations all endowment gifts and all amounts received in excess of $25,000 from each non-endowment gift, bequest, and devise it receives that are specified by the donor for the use of JCFS or JVS. The first $25,000 received by the Jewish Federation from gifts specified by the donor for JCFS or JVS will be included in the Jewish Federation’s annual allocation to the appropriate agency.

The operating expenses of JCFS’ and JVS’ Endowment Foundations for fiscal year 2016 were $62,931 and $36,905, respectively. During fiscal year 2015, the operating expenses of JCFS’ and JVS’ Endowment Foundations were $62,494 and $36,891, respectively.

Note 5. Endowment Foundations (Continued)

The Agencies each have the right to terminate its obligations and status as a participating agency, as defined. In addition, upon dissolution of individual Endowment Foundations (which may only take place upon agreement of both parties) or termination of the respective affiliation agreements between the Agencies and the Jewish Federation, the Endowment Foundations' assets will be transferred to the Jewish Federation and used for the purposes for which they were intended.

The Endowment Foundations include donor-restricted funds established for a variety of purposes. In addition, funds with no donor-imposed restrictions are considered part of the endowment because they are held and invested by the Endowment Foundations for the benefit of the Agencies. These funds are categorized as board designated. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

The Agencies and the Endowment Foundations follow the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of Illinois. The Board of Directors for each of the Endowment Foundations has interpreted the Illinois UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Endowment Foundations' policy is to classify as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The Endowment Foundations have no other activities beyond receiving and investing contributions on behalf of the Agencies and incurs no other expenditures other than those made on behalf of the Agencies. Therefore, all investment income is considered appropriated for expenditure and is classified as unrestricted board-designated net assets available for distribution unless explicitly restricted by the donor, in which case it is classified as temporarily restricted revenue until such restrictions are met.

In accordance with UPMIFA, the Endowment Foundations consider the following factors in making a determination to appropriate or accumulate earnings on donor-restricted endowment funds:

1) The duration and preservation of the fund;
2) The purpose of the Endowment Foundations 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 Endowment Foundations; and
7) The investment policies of the Endowment Foundations.

Note 5. Endowment Foundations (Continued)

The Endowment Foundations' net asset composition by type of restriction is as follows for the years ended June 30, 2016 and 2015:

	2016							
	JCFS				JVS			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated	$ 11,353,658	$ -	$ -	$ 11,353,658	$ 4,006,265	$ -	$ -	$ 4,006,265
Donor-restricted	(1,706,927)	969,124	8,562,123	7,824,320	(124)	45,052	100,000	144,928
	$ 9,646,731	$ 969,124	$ 8,562,123	$ 19,177,978	$ 4,006,141	$ 45,052	$ 100,000	$ 4,151,193

	2015							
	JCFS				JVS			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated	$ 6,043,763	$ -	$ -	$ 6,043,763	$ 4,511,512	$ -	$ -	$ 4,511,512
Donor-restricted	(1,107,279)	1,005,544	8,453,742	8,352,007	-	53,245	100,000	153,245
	$ 4,936,484	$ 1,005,544	$ 8,453,742	$ 14,395,770	$ 4,511,512	$ 53,245	$ 100,000	$ 4,664,757

Note 5. Endowment Foundations (Continued)

The changes in endowment net assets for the Agencies' Endowment Foundations were as follows for the years ended June 30, 2016 and 2015:

	JCFS			
	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Total
Endowment net assets, beginning of year	$ 4,936,484	$ 1,005,544	$ 8,453,742	$ 14,395,770
Contributions	78,270	3,843	8,381	90,494
Investment return:				
Investment income	1,265	-	-	1,265
Net (depreciation) appreciation (realized and unrealized) on investment	(477,838)	32,758	-	(445,080)
	(476,573)	32,758	-	(443,815)
Other changes:				
Change in remainder interest in a charitable gift annuity	-	(26,058)	-	(26,058)
Release of restrictions	160,241	(160,241)	-	-
Distributions to Agency	(837,628)	-	-	(837,628)
Administrative and development expenses	(60,189)	-	-	(60,189)
Other expenses	(2,742)	-	-	(2,742)
	(740,318)	(186,299)	-	(926,617)
Other changes in net assets:				
Inherent contribution of Hebrew Immigrant Aid Society Endowment Foundation net assets (see Note 2)	5,848,868	113,278	100,000	6,062,146
Endowment net assets, end of year	$ 9,646,731	$ 969,124	$ 8,562,123	$ 19,177,978

Note 5. Endowment Foundations (Continued)

	JVS			
	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Total
Endowment net assets, beginning of year	$ 4,511,512	$ 53,245	$ 100,000	$ 4,664,757
Investment return:				
Investment income	369	-	-	369
Net depreciation (realized and unrealized) on investment	(157,419)	-	-	(157,419)
	(157,050)	-	-	(157,050)
Other changes:				
Change in remainder interest in a charitable gift annuity	-	(8,193)	-	(8,193)
Distributions to Agency	(311,416)	-	-	(311,416)
Administrative and development expenses	(36,905)	-	-	(36,905)
	(348,321)	(8,193)	-	(356,514)
Endowment net assets, end of year	$ 4,006,141	$ 45,052	$ 100,000	$ 4,151,193

Note 5. Endowment Foundations (Continued)

	JCFS			
	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total
Endowment net assets, beginning of year	$ 5,455,255	$ 1,117,488	$ 8,432,752	$ 15,005,495
Contributions	160,080	9,446	20,990	190,516
Investment return:				
Investment income	182,983	-	-	182,983
Net appreciation (realized and unrealized)	(95,922)	-	-	(95,922)
	87,061	-	-	87,061
Other changes:				
Other income	7,324	-	-	7,324
Change in remainder interest in a charitable gift annuity	-	(17,204)	-	(17,204)
Release of restrictions	104,186	(104,186)	-	-
Distributions to Agency	(814,928)	-	-	(814,928)
Administrative and development expenses	(60,494)	-	-	(60,494)
Other expenses	(2,000)	-	-	(2,000)
	(765,912)	(121,390)	-	(887,302)
Endowment net assets, end of year	$ 4,936,484	$ 1,005,544	$ 8,453,742	$ 14,395,770

Note 5. Endowment Foundations (Continued)

	JVS			
	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total
Endowment net assets, beginning of year	$ 4,823,757	$ 59,360	$ 100,000	$ 4,983,117
Investment return:				
Investment income	60,212	-	-	60,212
Net depreciation (realized and unrealized) on investment	(33,267)	-	-	(33,267)
	26,945	-	-	26,945
Transfer of net assets released from restrictions	2,500	(2,500)		-
Other changes:				
Other income	2,453	-	-	2,453
Change in remainder interest in a charitable gift annuity	-	(3,615)	-	(3,615)
Distributions to Agency	(307,252)	-	-	(307,252)
Administrative and development expenses	(36,891)	-	-	(36,891)
	(341,690)	(3,615)	-	(345,305)
Endowment net assets, end of year	$ 4,511,512	$ 53,245	$ 100,000	$ 4,664,757

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 Illinois UPMIFA requires each of the Endowment Foundations to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets of JCFS' Endowment Foundation were $1,706,927 and $1,107,279 as of June 30, 2016 and 2015, respectively. Deficiencies of this nature that are reported in unrestricted net assets of JVS' Endowment Foundation were $124 and $0 as of June 30, 2016 and 2015, respectively.

Return objectives and risk parameters: The Endowment Foundations have adopted investment and spending policies for endowment assets that attempt to provide a stable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s), as well as board-designated funds. Under this policy, as approved by the Board, the endowment assets are invested in a manner intended to achieve an annualized long-term average nominal return which is approximately equal to the long-term average return of the market as a whole, but with less volatility than the overall market. Actual returns in any given year may vary significantly from the target amount.

Note 5. Endowment Foundations (Continued)

Strategies employed for achieving objectives: To satisfy its long-term rate-of-return objectives, each of the Endowment Foundations rely on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Each of the Endowment Foundations' policy is to invest 100 percent of the endowment cash assets in the PEP.

Spending policy and how the investment objectives relate to spending policy: The Endowment Foundations have adopted the Jewish Federation's Controlled Growth Distribution Policy (CGDP) to calculate distributions. Under this policy, the distribution rate for annual distributions from each of the Endowment Foundations is based on the market performance of the PEP, with certain caps and floors to provide stability during volatile market environments. The CGDP also includes a target growth rate of 2.5 percent per year.

Note 6. Property and Equipment

Property and equipment consists of the following at June 30, 2016 and 2015:

	2016	2015
Group homes	$ 1,870,312	$ 1,458,747
Other building and improvements	347,259	347,259
Office furniture and equipment	4,356,570	4,003,444
	6,574,141	5,809,450
Accumulated depreciation	(5,094,631)	(4,791,559)
	$ 1,479,510	$ 1,017,891

Note 7. Line of Credit

JCFS has a line of credit agreement with JPMorgan Chase Bank, N.A. with a borrowing limit of $2,500,000. There were $0 and $250,000 in outstanding borrowings as of June 30, 2016 and 2015, respectively. Interest on borrowings is payable monthly at a rate equal to the bank's prime rate (3.25 percent at June 30, 2016 and 2015) for each floating rate advance, or at adjusted one-month LIBOR plus 0.9 percent for each LIBOR rate advance (0.46655 and 0.18660 percent at June 30, 2016 and 2015, respectively). The line is guaranteed by the Jewish Federation, and has an expiration date of February 28, 2017, at which time JCFS intends to renew the line for another year.

JCFS also had an uncollateralized $2,000,000 line of credit with the Jewish Federation which bears interest at 30-day LIBOR plus 120 basis points. There were no outstanding borrowings on this line as of June 30, 2016 and 2015. This line expired on June 27, 2016 and was not renewed.

Note 7. Line of Credit (Continued)

JVS has a $1,500,000 line of credit agreement with MB Financial Bank which bears interest at three-month daily LIBOR plus 1.75 percentage points with a minimum annual interest rate of 2.0 percent (2.40 and 2.03 percent as of June 30, 2016 and 2015, respectively). The line of credit is guaranteed by the Jewish Federation. The balance outstanding on the line is $0 and $467,000 at June 30, 2016 and 2015, respectively. This agreement expires on February 15, 2017. Management intends to seek renewal of the agreement for another year.

JVS also had an uncollateralized $1,500,000 line of credit with the Jewish Federation which bears interest at 30-day LIBOR plus 120 basis points. There were no outstanding borrowings on this line as of June 30, 2016 and 2015. This line expired on June 27, 2016 and was not renewed.

Note 8. Temporarily Restricted Net Assets

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

	2016	2015
JCFS:		
Services for people with disabilities	$ 89,774	$ 42,615
Program developmental research	102,597	114,123
Childcare and education	32,732	58,127
Counseling and support	33,977	24,234
Scholarship and loan programs	356,388	316,997
Teen programs	307,267	324,962
Other	444,668	493,596
	1,367,403	1,374,654
JCFS Endowment Foundation:		
Research and training	188,849	216,981
Scholarships	549,553	614,942
Legal access	44,984	-
Time restricted	185,738	173,621
	969,124	1,005,544
JVS:		
Duman Microenterprise Fund	46,224	46,224
Emergency Fund	1,090	1,477
Other	4,109	1,860
	51,423	49,561
JVS Endowment Foundation:		
Time restricted	45,052	53,245
	$ 2,433,002	$ 2,483,004

Releases from restriction of $1,235,460 and $1,172,574 during the years ended June 30, 2016 and 2015, respectively, consisted of the purpose or time restrictions being met relating to the above net assets. During fiscal year 2016, JCFS released $811,112 of net assets from restriction, and JVS released $424,348 of net assets from restriction. During fiscal year 2015, JCFS release $744,685 of net assets from restriction, and JVS released $427,889 of net assets from restriction.

Note 9. Permanently Restricted Net Assets

Permanently restricted net assets at June 30, 2016 and 2015, related to the Endowment Foundation were donor-restricted for the following purposes:

	2016	2015
JCFS Endowment Foundation:		
Permanent endowment	$ 5,503,554	$ 5,503,554
Education and scholarship	2,160,002	2,160,002
Recreational programs	116,719	116,719
Samuel Cohen fund	100,000	-
Glick family	100,000	100,000
Financial assistance	285,795	277,414
Other	296,053	296,053
	8,562,123	8,453,742
JVS Endowment Foundation:		
Samuel and Betty Fink Memorial Fund	100,000	100,000
	$ 8,662,123	$ 8,553,742

Note 10. Retirement Plans

The Agencies are employer participants in two employee retirement plans, Jewish Federation Employees' Retirement Savings Trust Plan of the Jewish Federation of Metropolitan Chicago and Participating Employers (FERST) and Jewish Federation Employees' Retirement Income Plan of the Jewish Federation of Metropolitan Chicago and Participating Employers (FERIP). The plans cover substantially all of the Agencies' employees.

FERST is a defined contribution pension plan, employer contributions to which are computed on the basis of a percentage of salaries. Annual contributions by the Agencies to FERST for the fiscal years ended June 30, 2016 and 2015 were $240,483 and $289,150, respectively.

FERIP is a self-administered, noncontributory defined benefit pension plan, the funding of which is provided on the basis of normal cost as actuarially determined. FERIP is treated as a multi-employer plan for accounting purposes.

Annual contributions paid or accrued by the Agencies are determined as a percentage of payroll and are at the direction of Jewish Federation's Board of Directors based on recommendations from its Administration Committee.

The Agencies' participation in FERIP plan for the fiscal periods ended June 30, 2016, 2015 and 2014, is outlined in the table below.

			Pension Protection Act Zone Status		FIP/RP Status Pending/ Implemented	Contributions of the Agency				Expiration Date of Collective-Bargaining Agreement
Agency	Pension Fund	EIN/Pension Plan Number	2015	2014		2016	2015	2014	Surcharge Imposed	
JCFS	FERIP	36-2167034	N/A	N/A	N/A	$ 542,086	$ 536,718	$ 531,404	N/A	N/A
JVS	FERIP	36-2167034	N/A	N/A	N/A	$ 181,565	$ 179,767	$ 177,987	N/A	N/A

Note 10. Retirement Plans (Continued)

Plan information for FERIP is not publicly available. FERIP provides fixed monthly retirement payments on the basis of the credits earned by the participating employees. To the extent that the plan is underfunded, the future contributions to the plan may increase and may be used to fund retirement benefits for employees related to other employers who have ceased operations. The Agencies could be assessed a withdrawal liability in the event that it decides to cease participating in the plan.

FERIP’s actuarial valuation for the years ended December 31, 2015 and 2014, indicated the fair value of the plan assets was $76,173,371 and $80,593,469, respectively; total actuarial projected benefit obligation was $123,422,836 and $122,824,832, respectively; and total contributions for all participating employers were $3,910,612 and $2,920,000, respectively. The plan’s actuarial valuation for the plan years ended December 31, 2015 and 2014, indicated that the plan was approximately 62 and 66 percent funded, respectively.

At the date these consolidated financial statements were issued, Forms 5500 were not available for the plan years ending in 2016.

In addition, an agreement with JCFS’ former executive director provides for supplemental deferred compensation totaling $250,000, payable in 120 monthly installments until December 2018.

JCFS’ consolidated financial statements reflect a liability of $62,500 and $87,500, and a receivable of $20,527 and $28,738 in connection with a related loan agreement (the loan was for personal income taxes on the deferred compensation, paid by JCFS in 2006 on behalf of the former executive director) at June 30, 2016 and 2015, respectively. This receivable is included within accounts receivable on the consolidated statements of financial position.

Note 11. Lease Obligations

The Agencies occupy various office and facility space under various leases expiring through 2017 including some with month-to-month arrangements. For the month-to-month arrangements, management expects to occupy the sites for a long-term period. Total rental expenses paid to the JFMC Facilities Corporation for the fiscal years ended June 30, 2016 and 2015, are as follows:

	2016		2015	
	JCFS	JVS	JCFS	JVS
Joy Faith Knapp Children's Center	$ 1,106,884	$ -	$ 1,098,611	$ -
Elaine Kersten Children's Center	386,309	-	381,210	-
Goldie Bachmann Luftig Building, Skokie, Illinois	193,568	55,948	186,427	53,884
Abe and Ida Cooper Center	18,719	-	-	-
Bernard Weinger JCC, Northbrook, Illinois	-	30,396	-	59,919
Buffalo Grove, Illinois	78,452	11,826	143,146	21,582
Other:				
Agency's main administrative office	585,341	315,307	548,849	295,649
Various other facility space	50,005	15,829	194,947	39,394
	$ 2,419,278	$ 429,306	$ 2,553,190	$ 470,428

Note 11. Lease Obligations (Continued)

JCFS' lease for office space on West Peterson Avenue in Chicago requires an annual rental payment of $42,507 in fiscal year 2017.

JVS' leases for long-term office space and office equipment at various locations require approximate future minimum annual rent payment of $33,935 in fiscal year 2017.

Note 12. Concentrations and Contingencies

The Agencies are substantially supported by revenue from the Illinois Department of Human Services, the Jewish Federation of Metropolitan Chicago, and the U.S. Government. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Agencies' programs and activities.

Amounts received and expended by the Agencies under various government programs are subject to review by government agencies, and these reviews are conducted from time to time. Accordingly, the Agencies' compliance with applicable program requirements is often established in subsequent periods.

These consolidated financial statements include JVS' refundable grant advances of $0 and $298,982 at June 30, 2016 and 2015, respectively, which represent amounts potentially refundable to a government funder. JVS has attempted to substantiate various reimbursed amounts to demonstrate that the amounts were earned in accordance with the guidelines of the respective contract. At June 30, 2016, $298,982 was included in miscellaneous income on the consolidated statement of activities for the reduction in refundable grant advances.

In the opinion of management, other adjustments of expenditures that may be disallowed by the governmental agencies, if any, cannot be determined at this time.

Supplementary Information

Jewish Child and Family Services and Affiliates

Consolidating Detail Statements of Financial Position
June 30, 2016 and 2015

	2016				2015			
	JCFS	JVS	Consolidating/ Eliminating Entries	Total	JCFS	JVS	Consolidating/ Eliminating Entries	Total
Assets								
Cash and cash equivalents	$ 1,014,238	$ 453,694	$ -	$ 1,467,932	$ 122,149	$ 881,254	$ -	$ 1,003,403
Due from other affiliated organizations	929,951	-	(613,752)	316,199	1,131,470	-	(494,404)	637,066
Accounts receivable, net	3,009,670	1,444,758	-	4,454,428	3,204,762	1,527,806	-	4,732,568
Loans receivable, net	-	92,934	-	92,934	-	181,484	-	181,484
Prepaid expenses and other assets	84,047	39,986	-	124,033	54,001	7,614	-	61,615
Investments	8,720,150	1,894,826	-	10,614,976	8,636,460	1,962,322	-	10,598,782
Property and equipment, net	1,346,568	132,942	-	1,479,510	923,043	94,848	-	1,017,891
Endowment Foundations' assets	19,111,507	4,151,193	-	23,262,700	14,377,183	4,664,757	-	19,041,940
	$ 34,216,131	$ 8,210,333	$ (613,752)	$ 41,812,712	$ 28,449,068	$ 9,320,085	$ (494,404)	$ 37,274,749
Liabilities and Net Assets								
Liabilities:								
Line of credit	$ -	$ -	$ -	$ -	$ 250,000	$ 467,000	$ -	$ 717,000
Accounts payable and accrued expenses	1,484,146	995,478	(613,752)	1,865,872	1,598,469	1,079,721	(494,404)	2,183,786
Accrued vacation	844,809	190,345	-	1,035,154	895,625	281,792	-	1,177,417
Due to Jewish Federation of Metropolitan Chicago and affiliate	1,111,740	113,307	-	1,225,047	485,223	42,995	-	528,218
Deferred revenue and other liabilities	653,010	122,500	-	775,510	304,072	193,826	-	497,898
Deferred compensation payable	62,500	-	-	62,500	87,500	-	-	87,500
Refundable grant advances	-	-	-	-	-	298,982	-	298,982
Merger loans due to Jewish Federation of Metropolitan Chicago	1,396,524	-	-	1,396,524	1,576,902	-	-	1,576,902
	5,552,729	1,421,630	(613,752)	6,360,607	5,197,791	2,364,316	(494,404)	7,067,703
Net assets:								
Unrestricted:								
Undesignated	-	-	-	-	-	-	-	-
Designated for special purposes	13,611,603	6,459,286	-	20,070,889	8,422,253	6,658,115	-	15,080,368
Property and equipment funds	4,153,149	132,942	-	4,286,091	3,995,084	94,848	-	4,089,932
	17,764,752	6,592,228	-	24,356,980	12,417,337	6,752,963	-	19,170,300
Temporarily restricted	2,336,527	96,475	-	2,433,002	2,380,198	102,806	-	2,483,004
Permanently restricted	8,562,123	100,000	-	8,662,123	8,453,742	100,000	-	8,553,742
	28,663,402	6,788,703	-	35,452,105	23,251,277	6,955,769	-	30,207,046
	$ 34,216,131	$ 8,210,333	$ (613,752)	$ 41,812,712	$ 28,449,068	$ 9,320,085	$ (494,404)	$ 37,274,749

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – All Funds
Year Ended June 30, 2016

	JCFS				JVS				Consolidating/ Eliminating Entries	Consolidated Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total		
Revenue:										
Public support:										
Allocated by Jewish Federation of Metropolitan Chicago	$ 8,892,652	$ -	$ -	$ 8,892,652	$ 2,145,882	$ -	$ -	$ 2,145,882	$ -	$ 11,038,534
Contributions	4,053,410	498,706	8,381	4,560,497	482,530	426,210	-	908,740	-	5,469,237
	12,946,062	498,706	8,381	13,453,149	2,628,412	426,210	-	3,054,622	-	16,507,771
Program-related revenue:										
Fees and grants from governmental agencies	14,202,929	-	-	14,202,929	5,040,667	-	-	5,040,667	-	19,243,596
Program service fees	2,062,764	-	-	2,062,764	107,943	-	-	107,943	(15,027)	2,155,680
	16,265,693	-	-	16,265,693	5,148,610	-	-	5,148,610	(15,027)	21,399,276
Other revenue:										
Agencies investment income, net	3,561	112	-	3,673	576	-	-	576	-	4,249
Net losses on Agencies investments	(252,300)	(45,866)	-	(298,166)	(67,662)	-	-	(67,662)	-	(365,828)
Endowment Foundations income (loss)	(389,922)	10,543	-	(379,379)	(157,050)	(8,193)	-	(165,243)	-	(544,622)
Other interest income	-	-	-	-	5,522	-	-	5,522	-	5,522
Miscellaneous income	699,062	-	-	699,062	331,567	-	-	331,567	(630,000)	400,629
Net assets released from restrictions	811,112	(811,112)	-	-	424,348	(424,348)	-	-	-	-
	871,513	(846,323)	-	25,190	537,301	(432,541)	-	104,760	(630,000)	(500,050)
	30,083,268	(347,617)	8,381	29,744,032	8,314,323	(6,331)	-	8,307,992	(645,027)	37,406,997

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – All Funds (Continued)
Year Ended June 30, 2016

	JCFS				JVS				Consolidating/	
	Unrestricted	Temporarily Restricted	Permanently Restricted	JCFS Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminating Entries	Consolidated Total
Expenses:										
Program services:										
Counseling and support	$ 10,854,171	$ -	$ -	$ 10,854,171	$ 1,872,807	$ -	$ -	$ 1,872,807	$ (218,084)	$ 12,508,894
Rehabilitation and skills training services	-	-	-	-	5,637,518	-	-	5,637,518	(327,676)	5,309,842
Foster care	2,928,075	-	-	2,928,075	-	-	-	-	-	2,928,075
Residential services	5,959,695	-	-	5,959,695	-	-	-	-	-	5,959,695
Education services	5,875,130	-	-	5,875,130	-	-	-	-	-	5,875,130
Therapeutic pediatric services	1,187,115	-	-	1,187,115	-	-	-	-	-	1,187,115
	26,804,186	-	-	26,804,186	7,510,325	-	-	7,510,325	(545,760)	33,768,751
Supporting services:										
Management and general	3,219,881	-	-	3,219,881	753,829	-	-	753,829	(90,068)	3,883,642
Fundraising	794,662	-	-	794,662	210,904	-	-	210,904	(9,199)	996,367
	4,014,543	-	-	4,014,543	964,733	-	-	964,733	(99,267)	4,880,009
	30,818,729	-	-	30,818,729	8,475,058	-	-	8,475,058	(645,027)	38,648,760
(Decrease) increase in net assets before other changes	(735,461)	(347,617)	8,381	(1,074,697)	(160,735)	(6,331)	-	(167,066)	-	(1,241,763)
Other changes in net assets:										
Inherent contribution of Hebrew Immigrant Aid Society net assets	6,204,443	182,379	100,000	6,486,822	-	-	-	-	-	6,486,822
Other transfers	(121,567)	121,567	-	-	-	-	-	-	-	-
	6,082,876	303,946	100,000	6,486,822	-	-	-	-	-	6,486,822
Increase (decrease) in net assets	5,347,415	(43,671)	108,381	5,412,125	(160,735)	(6,331)	-	(167,066)	-	5,245,059
Net assets:										
Beginning of year	12,417,337	2,380,198	8,453,742	23,251,277	6,752,963	102,806	100,000	6,955,769	-	30,207,046
End of year	$ 17,764,752	$ 2,336,527	$ 8,562,123	$ 28,663,402	$ 6,592,228	$ 96,475	$ 100,000	$ 6,788,703	$ -	$ 35,452,105

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – All Funds
Year Ended June 30, 2015

	JCFS				JVS				Consolidating/	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminating Entries	Consolidated Total
Revenue:										
Public support:										
Allocated by Jewish Federation of Metropolitan Chicago	$ 8,662,308	$ -	$ -	$ 8,662,308	$ 2,083,171	$ -	$ -	$ 2,083,171	$ -	$ 10,745,479
Contributions	5,141,480	444,425	20,990	5,606,895	544,541	426,933	-	971,474	-	6,578,369
	13,803,788	444,425	20,990	14,269,203	2,627,712	426,933	-	3,054,645	-	17,323,848
Program-related revenue:										
Fees and grants from governmental agencies	12,583,341	-	-	12,583,341	7,389,195	-	-	7,389,195	-	19,972,536
Program service fees	2,138,665	-	-	2,138,665	103,304	-	-	103,304	(80,382)	2,161,587
	14,722,006	-	-	14,722,006	7,492,499	-	-	7,492,499	(80,382)	22,134,123
Other revenue:										
Agencies investment income, net	113,026	21,757	-	134,783	31,750	-	-	31,750	-	166,533
Net losses on Agencies investments	(60,387)	(12,909)	-	(73,296)	(18,099)	-	-	(18,099)	-	(91,395)
Endowment Foundations income	275,455	(7,758)	-	267,697	29,398	(3,615)	-	25,783	-	293,480
Other interest income	-	-	-	-	7,429	-	-	7,429	-	7,429
Miscellaneous income	806,048	-	-	806,048	42,109	-	-	42,109	(612,000)	236,157
Casualty income	396,074	-	-	396,074	-	-	-	-	-	396,074
Net assets released from restrictions	744,685	(744,685)	-	-	427,889	(427,889)	-	-	-	-
	2,274,901	(743,595)	-	1,531,306	520,476	(431,504)	-	88,972	(612,000)	1,008,278
	30,800,695	(299,170)	20,990	30,522,515	10,640,687	(4,571)	-	10,636,116	(692,382)	40,466,249

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – All Funds (Continued)
Year Ended June 30, 2015

	JCFS				JVS				Consolidating/	
	Unrestricted	Temporarily Restricted	Permanently Restricted	JCFS Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminating Entries	Consolidated Total
Expenses:										
Program services:										
Counseling and support	$ 12,338,771	$ -	$ -	$ 12,338,771	$ 2,816,956	$ -	$ -	$ 2,816,956	$ (287,353)	$ 14,868,374
Rehabilitation and skills training services	-	-	-	-	7,383,095	-	-	7,383,095	(349,301)	7,033,794
Foster care	2,264,565	-	-	2,264,565	-	-	-	-	-	2,264,565
Residential services	5,437,517	-	-	5,437,517	-	-	-	-	-	5,437,517
Education services	5,791,469	-	-	5,791,469	-	-	-	-	(53,355)	5,738,114
Therapeutic pediatric services	1,171,423	-	-	1,171,423	-	-	-	-	-	1,171,423
	27,003,745	-	-	27,003,745	10,200,051	-	-	10,200,051	(690,009)	36,513,787
Supporting services:										
Management and general	3,031,948	-	-	3,031,948	684,445	-	-	684,445	(2,373)	3,714,020
Fundraising	815,334	-	-	815,334	201,105	-	-	201,105	-	1,016,439
	3,847,282	-	-	3,847,282	885,550	-	-	885,550	(2,373)	4,730,459
	30,851,027	-	-	30,851,027	11,085,601	-	-	11,085,601	(692,382)	41,244,246
Increase (decrease) in net assets before other changes	(50,332)	(299,170)	20,990	(328,512)	(444,914)	(4,571)	-	(449,485)	-	(777,997)
Other changes in net assets:										
Other transfers	(119,416)	119,416	-	-	-	-	-	-	-	-
	(119,416)	119,416	-	-	-	-	-	-	-	-
Increase (decrease) in net assets	(169,748)	(179,754)	20,990	(328,512)	(444,914)	(4,571)	-	(449,485)	-	(777,997)
Net assets:										
Beginning of year	12,587,085	2,559,952	8,432,752	23,579,789	7,197,877	107,377	100,000	7,405,254	-	30,985,043
End of year	$ 12,417,337	$ 2,380,198	$ 8,453,742	$ 23,251,277	$ 6,752,963	$ 102,806	$ 100,000	$ 6,955,769	$ -	$ 30,207,046

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – Unrestricted Funds
Year Ended June 30, 2016

	JCFS				JVS			
	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total
Revenue:								
Public support:								
Allocated by Jewish Federation of Metropolitan Chicago	$ 8,892,652	$ -	$ -	$ 8,892,652	$ 2,145,882	$ -	$ -	$ 2,145,882
Contributions	3,860,587	192,823	-	4,053,410	482,530	-	-	482,530
	12,753,239	192,823	-	12,946,062	2,628,412	-	-	2,628,412
Program-related revenue:								
Fees and grants from governmental agencies	14,202,929	-	-	14,202,929	5,040,667	-	-	5,040,667
Program service fees	2,062,764	-	-	2,062,764	107,943	-	-	107,943
	16,265,693	-	-	16,265,693	5,148,610	-	-	5,148,610
Other revenue:								
Agencies investment income, net	302	2,998	261	3,561	410	166	-	576
Net losses on Agencies investments	-	(146,000)	(106,300)	(252,300)	(67,662)	-	-	(67,662)
Endowment Foundations income (loss)	908,940	(1,298,862)	-	(389,922)	348,321	(505,371)	-	(157,050)
Other interest income	-	-	-	-	5,522	-	-	5,522
Miscellaneous income	699,062	-	-	699,062	331,567	-	-	331,567
Net assets released from restrictions	650,871	160,241	-	811,112	424,348	-	-	424,348
	2,259,175	(1,281,623)	(106,039)	871,513	1,042,506	(505,205)	-	537,301
	31,278,107	(1,088,800)	(106,039)	30,083,268	8,819,528	(505,205)	-	8,314,323

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – Unrestricted Funds (Continued)
Year Ended June 30, 2016

	JCFS				JVS			
	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total
Expenses:								
Program services:								
Counseling and support	$ 10,790,308	$ -	$ 63,863	$ 10,854,171	$ 1,856,028	$ -	$ 16,779	$ 1,872,807
Rehabilitation and skills training services	-	-	-	-	5,620,739	-	16,779	5,637,518
Foster care	2,919,183	-	8,892	2,928,075	-	-	-	-
Residential services	5,918,282	-	41,413	5,959,695	-	-	-	-
Education services	5,829,933	-	45,197	5,875,130	-	-	-	-
Therapeutic pediatric services	1,181,338	-	5,777	1,187,115	-	-	-	-
	26,639,044	-	165,142	26,804,186	7,476,767	-	33,558	7,510,325
Supporting services:								
Management and general	3,115,830	-	104,051	3,219,881	749,634	-	4,195	753,829
Fundraising	791,878	-	2,784	794,662	210,523	-	381	210,904
	3,907,708	-	106,835	4,014,543	960,157	-	4,576	964,733
	30,546,752	-	271,977	30,818,729	8,436,924	-	38,134	8,475,058
Increase (decrease) in net assets before other changes	731,355	(1,088,800)	(378,016)	(735,461)	382,604	(505,205)	(38,134)	(160,735)
Other changes in net assets:								
Inherent contribution of Hebrew Immigrant Aid Society net assets	127,558	6,076,885	-	6,204,443	-	-	-	-
Transfers	(858,913)	201,265	536,081	(121,567)	(382,604)	306,376	76,228	-
Increase (decrease) in net assets	-	5,189,350	158,065	5,347,415	-	(198,829)	38,094	(160,735)
Net assets:								
Beginning of year	-	8,422,253	3,995,084	12,417,337	-	6,658,115	94,848	6,752,963
End of year	$ -	$ 13,611,603	$ 4,153,149	$ 17,764,752	$ -	$ 6,459,286	$ 132,942	$ 6,592,228

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – Unrestricted Funds
Year Ended June 30, 2015

	JCFS				JVS			
	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total
Revenue:								
Public support:								
Allocated by Jewish Federation of Metropolitan Chicago	$ 8,662,308	$ -	$ -	$ 8,662,308	$ 2,083,171	$ -	$ -	$ 2,083,171
Contributions	4,919,979	221,501	-	5,141,480	539,520	5,021	-	544,541
	13,582,287	221,501	-	13,803,788	2,622,691	5,021	-	2,627,712
Program-related revenue:								
Fees and grants from governmental agencies	12,583,341	-	-	12,583,341	7,389,195	-	-	7,389,195
Program service fees	2,138,665	-	-	2,138,665	103,304	-	-	103,304
	14,722,006	-	-	14,722,006	7,492,499	-	-	7,492,499
Other revenue:								
Agencies investment income, net	240	62,541	50,245	113,026	508	31,242	-	31,750
Net losses on Agencies investments	-	(30,906)	(29,481)	(60,387)	-	(18,099)	-	(18,099)
Endowment Foundations income (loss)	898,412	(622,957)	-	275,455	344,143	(314,745)	-	29,398
Other interest income	-	-	-	-	7,429	-	-	7,429
Miscellaneous income	806,048	-	-	806,048	42,109	-	-	42,109
Casualty income (loss)	446,887	-	(50,813)	396,074	-	-	-	-
Net assets released from restrictions	640,499	104,186	-	744,685	425,389	2,500	-	427,889
	2,792,086	(487,136)	(30,049)	2,274,901	819,578	(299,102)	-	520,476
	31,096,379	(265,635)	(30,049)	30,800,695	10,934,768	(294,081)	-	10,640,687

Jewish Child and Family Services and Affiliates

Consolidating Detail Statement of Activities – Unrestricted Funds (Continued)
Year Ended June 30, 2015

	JCFS				JVS			
	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total	Undesignated	Designated for Special Purposes	Property and Equipment	Unrestricted Total
Expenses:								
Program services:								
Counseling and support	$ 12,251,171	$ -	$ 87,600	$ 12,338,771	$ 2,802,143	$ -	$ 14,813	$ 2,816,956
Rehabilitation and skills training services	-	-	-	-	7,368,282	-	14,813	7,383,095
Foster care	2,253,436	-	11,129	2,264,565	-	-	-	-
Residential services	5,390,141	-	47,376	5,437,517	-	-	-	-
Education services	5,733,812	-	57,657	5,791,469	-	-	-	-
Therapeutic pediatric services	1,162,946	-	8,477	1,171,423	-	-	-	-
	26,791,506	-	212,239	27,003,745	10,170,425	-	29,626	10,200,051
Supporting services:								
Management and general	2,907,292	-	124,656	3,031,948	680,741	-	3,704	684,445
Fundraising	812,550	-	2,784	815,334	200,768	-	337	201,105
	3,719,842	-	127,440	3,847,282	881,509	-	4,041	885,550
	30,511,348	-	339,679	30,851,027	11,051,934	-	33,667	11,085,601
Increase (decrease) in net assets before other changes	585,031	(265,635)	(369,728)	(50,332)	(117,166)	(294,081)	(33,667)	(444,914)
Other changes in net assets:								
Transfers	(585,031)	271,271	194,344	(119,416)	117,166	(153,561)	36,395	-
Increase (decrease) in net assets	-	5,636	(175,384)	(169,748)	-	(447,642)	2,728	(444,914)
Net assets:								
Beginning of year	-	8,416,617	4,170,468	12,587,085	-	7,105,757	92,120	7,197,877
End of year	$ -	$ 8,422,253	$ 3,995,084	$ 12,417,337	$ -	$ 6,658,115	$ 94,848	$ 6,752,963