The Jewish Community Center of Greater Columbus

Financial Report
June 30, 2016

Contents

Independent Auditor's Report

To the Board of Trustees
The Jewish Community
Center of Greater Columbus
Columbus, Ohio

Report on the Financial Statements
We have audited the accompanying financial statements of The Jewish Community Center of Greater Columbus (the Center) which comprise the statement of financial position as of June 30, 2016, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Jewish Community Center of Greater Columbus as of June 30, 2016, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited The Jewish Community Center of Greater Columbus' 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 11, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

RSM US LLP

Columbus, Ohio
January 9, 2017

The Jewish Community Center of Greater Columbus

Statement of Financial Position
June 30, 2016
(With Comparative Totals at June 30, 2015)

Assets	**2016**	2015
Current assets:		
Cash and cash equivalents	**$ 1,701,572**	$ 1,104,391
Accounts receivable, net	**256,886**	273,428
Contributions receivable, net:		
Columbus Jewish Federation	**643,867**	629,329
United Way	**9,999**	9,999
Capital campaign	**167,498**	158,501
Prepaid expenses and deposits	**243,193**	144,863
Inventories	**29,613**	28,796
Total current assets	**3,052,628**	2,349,307
Other assets:		
Capital campaign pledge receivable, net	**2,421**	21,620
Israel bonds	**25,000**	25,000
Investments held with Columbus Jewish Foundation	**2,944,255**	3,035,177
Beneficial interest in assets held by Columbus Jewish Foundation	**826,553**	838,314
Total other assets	**3,798,229**	3,920,111
Right to use asset - State of Ohio	**566,375**	566,375
Accumulated amortization	**(169,913)**	(141,594)
Total right to use asset - State of Ohio	**396,462**	424,781
Property held for lease	**152,532**	152,532
Accumulated depreciation	**(121,256)**	(116,733)
Total property held for lease	**31,276**	35,799
Property and equipment:		
Building, leasehold and ground improvements	**10,352,851**	10,163,936
Furniture, fixtures and equipment	**2,322,516**	2,375,276
Accumulated depreciation	**(5,552,374)**	(5,321,299)
Total property and equipment	**7,122,993**	7,217,913
Total assets	**$ 14,401,588**	$ 13,947,911

See notes to financial statements.

Liabilities and Net Assets	**2016**	2015
Current liabilities:		
Current portion of mortgage loan	**$ 67,472**	$ 67,472
Accounts payable and other accrued expenses	**411,084**	333,413
Accrued payroll and related liabilities	**530,650**	534,281
Deferred revenue	**1,360,801**	940,184
Advances from State of Ohio - right to use	**28,319**	28,319
Total current liabilities	**2,398,326**	1,903,669
Noncurrent liabilities:		
Mortgage loan, net of current portion	**339,186**	556,660
Advances from State of Ohio - right to use	**368,143**	396,461
Total liabilities	**3,105,655**	2,856,790
Net assets:		
Unrestricted	**6,152,515**	6,032,303
Temporarily restricted	**2,146,648**	2,090,662
Permanently restricted	**2,996,770**	2,968,156
Total net assets	**11,295,933**	11,091,121
Total liabilities and net assets	**$ 14,401,588**	$ 13,947,911

The Jewish Community Center of Greater Columbus

Statement of Activities and Changes in Net Assets
Year Ended June 30, 2016
(With Comparative Totals for June 30, 2015)

	Unrestricted	Temporarily Restricted	Permanently Restricted	**2016 Totals**	2015 Totals
Public support revenue:					
Contributions from Columbus Jewish Federation	$ 196,000	$ 500,301	$ -	**$ 696,301**	$ 674,038
Contributions from United Way	16,751	10,000	-	**26,751**	24,195
Grant income	71,411	-	-	**71,411**	63,533
Contributions from the capital campaign	50,000	100,000	-	**150,000**	1,000
Other contributions	558,938	108,178	40,187	**707,303**	576,665
Total public support revenue	893,100	718,479	40,187	**1,651,766**	1,339,431
Membership and other supporting revenue:					
Membership dues	1,839,700	-	-	**1,839,700**	1,752,763
Program services	5,933,493	-	-	**5,933,493**	5,551,457
Total membership and program service revenue	7,773,193	-	-	**7,773,193**	7,304,220
Other revenue:					
Rentals, events and other revenue	611,880	-	-	**611,880**	564,410
Third-party payments	81,952	-	-	**81,952**	89,957
Sales of merchandise	123,191	-	-	**123,191**	125,302
Total other revenue	817,023	-	-	**817,023**	779,669
Total revenue	9,483,316	718,479	40,187	**10,241,982**	9,423,320
Net assets released from restrictions and transfers	637,877	(637,877)	-	**-**	-
Total revenue net of releases and transfers	10,121,193	80,602	40,187	**10,241,982**	9,423,320
Expenses:					
Salaries and benefits	6,093,121	-	-	**6,093,121**	5,773,067
Program expenses	1,521,406	-	-	**1,521,406**	1,488,916
Operating expenses	881,666	-	-	**881,666**	838,461
Occupancy expenses	1,015,031	-	-	**1,015,031**	871,774
Depreciation expense	462,565	-	-	**462,565**	467,282
Total expenses	9,973,789	-	-	**9,973,789**	9,439,500
Change in net assets before other income (loss)	147,404	80,602	40,187	**268,193**	(16,180)
Other income (loss):					
Interest and dividends income	2,266	192,696	1,515	**196,477**	223,525
Unrealized loss on investments	(2,474)	(195,869)	-	**(198,343)**	(152,670)
Change in fair value of beneficial interests	-	(21,443)	(13,088)	**(34,531)**	(5,143)
Loss on disposal of fixed assets, net	(26,984)	-	-	**(26,984)**	(33,727)
Total other income (loss)	(27,192)	(24,616)	(11,573)	**(63,381)**	31,985
Change in net assets	120,212	55,986	28,614	**204,812**	15,805
Net assets - beginning of year	6,032,303	2,090,662	2,968,156	**11,091,121**	11,075,316
Net assets - end of year	$ 6,152,515	$ 2,146,648	$ 2,996,770	**$ 11,295,933**	$ 11,091,121

See notes to financial statements.

The Jewish Community Center of Greater Columbus

Statement of Functional Expenses
Year Ended June 30, 2016
(With Comparative Totals for June 30, 2015)

	Early Childhood Services Division	Children Camping and Youth Division	Recreation and Wellness Division	Adult, Arts and Education Division	Community Funded Programs Division	Endowment Division	Total Program Expenses	Support and Adminis-tration	Fundraising and Special Events	Rentals	**2016 Total Expenses**	2015 Total Expenses
Salaries	$ 2,805,482	$ 641,986	$ 1,178,645	$ 191,735	$ 62,105	$ 10,841	$ 4,890,794	$ 275,185	$ 64,498	$ -	**$ 5,230,477**	$ 4,970,535
Payroll taxes	237,572	53,964	100,026	17,059	5,389	150	414,160	23,107	5,396	-	**442,663**	423,115
Employees' insurance	232,873	55,120	81,416	9,392	5,073	-	383,874	32,992	3,115	-	**419,981**	379,417
Contract services	144,715	56,408	186,602	35,137	1,665	11,065	435,592	39,696	5,771	-	**481,059**	469,007
Supplies	72,675	45,258	72,054	35,088	876	12,930	238,881	12,539	4,928	-	**256,348**	288,160
Merchandise for resale	-	2,268	383	8,433	5,896	1,810	18,790	29,343	2,900	-	**51,033**	53,000
Food services	282,190	64,277	28,533	82,884	1,999	350	460,233	85,853	2,567	-	**548,653**	505,816
Postage	206	14	1,434	2,080	544	56	4,334	6,040	335	-	**10,709**	15,076
Vehicle and mileage	6,512	76,436	5,556	9,701	2,828	441	101,474	23,110	-	-	**124,584**	114,956
Printing and publicity	4,747	3,198	16,903	13,021	3,603	1,274	42,746	2,968	3,306	-	**49,020**	42,901
Professional services	-	-	-	-	-	-	-	24,500	-	-	**24,500**	22,700
Computer support	26,661	10,913	20,851	3,326	1,963	-	63,714	1,350	2,817	-	**67,881**	46,880
Equipment rental	12,773	8,565	10,520	1,951	709	81,817	116,335	5,952	1,173	-	**123,460**	120,299
Equipment repair and maintenance	138	3,932	10,820	827	165	-	15,882	3,451	165	-	**19,498**	24,716
Recruitment	5,101	2,423	1,087	572	-	-	9,183	1,634	-	-	**10,817**	10,531
Travel and training	1,758	4,244	5,925	212	3,061	7,028	22,228	17,121	-	-	**39,349**	31,558
Dues/licenses/permits	34,856	28,298	26,697	12,713	804	9	103,377	7,215	1,726	2,192	**114,510**	120,329
Scholarships	255,793	124,712	7,710	3,404	-	10,261	401,880	199	-	-	**402,079**	383,934
Allocation to JCCA	-	-	-	-	-	-	-	79,572	-	-	**79,572**	77,514
Telephone	13,078	6,357	9,740	580	232	-	29,987	5,710	232	-	**35,929**	26,819
Utilities	162,416	50,256	190,824	15,266	1,908	-	420,670	18,713	19,082	300	**458,765**	455,030
Insurance	19,158	20,268	11,420	5,105	1,352	-	57,303	5,695	688	1,146	**64,832**	68,358
Building/grounds repair and maintenance	73,917	39,438	195,348	9,290	1,806	531	320,330	67,583	-	4,180	**392,093**	252,047
Facilities rental	42,100	500	-	2,200	-	-	44,800	-	1,000	-	**45,800**	45,508
Interest	-	-	-	-	-	-	-	-	-	-	**-**	5,494
Bad debt expense	-	-	-	-	-	-	-	2,601	-	-	**2,601**	7,926
Miscellaneous	2,383	2,508	2,864	132	87	2,252	10,226	1,473	1,112	2,200	**15,011**	10,592
Total expenses before depreciation and amortization	4,437,104	1,301,343	2,165,358	460,108	102,065	140,815	8,606,793	773,602	120,811	10,018	**9,511,224**	8,972,218
Depreciation and amortization	93,347	53,933	164,946	16,655	-	-	328,881	100,797	28,364	4,523	**462,565**	467,282
Total expenses	$ 4,530,451	$ 1,355,276	$ 2,330,304	$ 476,763	$ 102,065	$ 140,815	$ 8,935,674	$ 874,399	$ 149,175	$ 14,541	**$ 9,973,789**	$ 9,439,500

See notes to financial statements.

The Jewish Community Center of Greater Columbus

Statement of Cash Flows (Continued)
For the Year Ended June 30, 2016
(With Comparative Totals for June 30, 2015)

	2016	2015
Cash flows from operating activities:		
Change in net assets	**$ 204,812**	$ 15,805
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	**462,565**	467,282
Loss on disposal of assets	**26,984**	33,727
Unrealized loss on investments	**198,343**	152,670
Change in fair value of beneficial interest	**34,531**	5,143
Recognition of forgiveness on advances from State of Ohio	**(28,319)**	(28,319)
Contributions restricted for permanent investment	**(40,187)**	(4,492)
(Increase) decrease in assets:		
Accounts, contributions and pledges receivable, net	**12,206**	432,725
Prepaid expenses, deposits and inventories	**(99,147)**	(66,331)
Increase (decrease) in liabilities:		
Accounts payable, accrued payroll and other accrued expenses	**74,041**	60,997
Deferred revenue	**420,617**	(37,943)
Net cash provided by operating activities	**1,266,446**	1,031,264
Cash flows from investing activities:		
Increase in investments held with Columbus Jewish Foundation	**(107,421)**	(130,457)
Net change in beneficial interest in assets held by Columbus Jewish Foundation	**(22,770)**	9,204
Proceeds from sale of property and equipment	**1,950**	1,314
Purchases of property and equipment	**(363,737)**	(201,310)
Net cash used in investing activities	**(491,978)**	(321,249)
Cash flows from financing activities:		
Contribution restricted for permanent investment	**40,187**	4,492
Payments on mortgage loan	**(217,474)**	(755,868)
Net cash used in financing activities	**(177,287)**	(751,376)
Net change in cash and cash equivalents	**597,181**	(41,361)
Cash and cash equivalents:		
Beginning	**1,104,391**	1,145,752
Ending	**$ 1,701,572**	$ 1,104,391
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	**$ -**	$ 1,409

See notes to financial statements.

Note 1. Nature and Scope of Organization

The Jewish Community Center of Greater Columbus (the Center) is a nonprofit human service agency offering a varied program that is Jewish in nature. It is committed to enhancing the quality of individual and family life through the promotion of physical, intellectual and spiritual wellness. It provides educational and cultural programs that reflect the Jewish heritage, health related activities and many services to the community at large. Through its wide array of programs, the Center pursues its mission of strengthening the individual, family and community.

Note 2. Summary of Significant Accounting Policies

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

Financial statement presentation: The Center reports information regarding its financial position and activities according to three classes of net assets as follows:

> **Unrestricted net assets:** Net assets that are not subject to donor-imposed restrictions and are available for use in the Center's ongoing operations.
>
> **Temporarily restricted net assets:** Net assets subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by action of the Center pursuant to those restrictions, and/or upon receipt of funding or passage of date upon which funds were due.
>
> **Permanently restricted net assets:** Net assets subject to donor-imposed restrictions that the principal be maintained permanently by the Center and generally allow the use of investment earnings.

Comparative information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

Cash and cash equivalents: The Center considers cash and cash equivalents to include cash on hand, demand deposits, money market accounts and all highly liquid investments with original maturities of three months or less. Cash and cash equivalents have been designated by the Center for the following purposes at June 30, 2016:

General operations, including savings	$ 531,214
Mortgage loan repayment	308,274
Building repair and maintenance	137,054
Tribute funds	329,293
Rental property expenses	9,923
Maccabi 2016	385,814
	$ 1,701,572

Note 2. Summary of Significant Accounting Policies (Continued)

Investments held with Columbus Jewish Foundation: Investments consist of a pool of fixed income and equity investments securities recorded at their fair value. Interest, dividends, and gains and losses on investments are included in the accompanying statement of activities.

Marketable securities are exposed to various risks such as interest rate, market and credit risks. Accordingly, it is at least reasonably possible that changes in the values of marketable securities may occur in the near term, which could be material.

Accounts receivable, deferred revenue and revenues: The primary operating revenue categories are as follows:

Membership dues: Dues are assessed at various times during the year based on when the memberships are initially registered and renewed and a form of payment is received. If the member elects to pay in full, the dues are recorded as deferred revenue initially in the first month of the membership and then recognized as revenue on a pro-rata basis each month. Otherwise, revenue is recorded when payment is collected, in the same month that the membership is used.

Program services: Program service fees include a variety of offerings and are recorded on the accrual basis. Revenues are recognized in the month the programs and services are rendered. If participants pay in advance of the program or service, funding is recorded as deferred revenue and then recognized in the month the program or service is rendered.

All receivables are considered past due 30 days after any invoice is rendered. The Center does not charge interest on any overdue accounts.

The Center utilizes the allowance method to recognize potentially uncollectible amounts based on management's estimation of the amount that may not be collected. The estimation takes into consideration overall historical trends as well as past history with specific members and participants. Actual results could vary from the estimates. Accounts are charged against the allowance when management deems them to be uncollectible.

Inventories: Inventories, which consist primarily of food and maintenance supplies, are all finished products and are carried at the lower of cost or market, determined on a first-in, first-out (FIFO) basis.

Beneficial interest in assets held by Columbus Jewish Foundation: The Center follows Financial Accounting Standards Board (FASB) guidance related to transfers of assets to a not-for-profit organization or charitable trust that raises or holds contributions for others. This guidance establishes standards for transactions between the Center, as beneficiary, and the Columbus Jewish Foundation (the Foundation), as the recipient organization. In the statement of financial position, these assets are presented as beneficial interest in assets held by the Columbus Jewish Foundation.

Property and equipment: Property and equipment are carried at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over estimated useful lives ranging from three to forty years. Major acquisitions and improvements are capitalized and depreciated. Maintenance and repairs, which do not improve or extend the useful lives of the respective assets, are recorded to expense as incurred. The carrying amounts of assets sold, retired or otherwise disposed and the related accumulated depreciation is eliminated from the accounts and any resulting gain or loss is included in the statement of activities.

Note 2. Summary of Significant Accounting Policies (Continued)

The carrying value of long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the amount of the assets may not be recoverable. When an indication of impairment is present and the undiscounted cash flows estimated to be generated by the related assets are less than the assets' carrying amount, an impairment loss will be recorded based on the difference between the carrying amount of the assets and their estimated fair value. Management determined that no impairment existed at June 30, 2016.

Contributions and public support: Public support funding is classified as contributions revenue. Unconditional contributions are recognized as revenue in the month the commitment or payment is first received. Conditional contributions are not recognized until the conditions are substantially met, the pledge or grant can be considered legally enforceable, or the likelihood of the condition not occurring is remote. Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted revenue depending on the existence, nature or term of use of any donor restrictions. Restricted contributions for which the restriction is fulfilled in the same year the contribution is received are recorded directly to unrestricted contributions on the statement of activities and changes in net assets. Contributions with restrictions that are not fulfilled in the same year remain as temporarily restricted until either the required use or passage of time restrictions are fulfilled. Accordingly, such contributions are then released from restrictions and recorded as unrestricted net assets. Contributions to be received after one year are discounted at a rate commensurate with a risk free rate. Amortization of the discount is recorded as additional contribution revenue and used in accordance with donor-imposed restrictions, if any, on the contributions. Allowance is made for uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

Contributed goods and services: Contributions of property, equipment, investments, or any other types of assets are recorded at fair value at the date of donation.

Donated services are recognized as contributions only if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Center. During 2016, a substantial number of unpaid volunteers, including members of the Board of Trustees, made significant contributions of time to promote and administer the activities at the Center. The value of this contributed time is not reflected in the financial statements since the aforementioned criteria were not met.

In addition, the Columbus Jewish Federation (the Federation), owns the main building from which the Center operates. The Federation does not require rent payments from the Center; however, the Center is required to pay all building operating costs. Capital improvements are funded either through an allocation from the Federation or from the Center's operating funds or capital campaign funds.

Income taxes: The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law, except taxes pertaining to unrelated business income, if any. The Center is also partially exempt from real estate taxes.

The Center follows FASB guidance on accounting for uncertainty in income taxes, which 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 Center 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 Center 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, there were no unrecognized tax benefits identified or recorded as liabilities.

Note 2. Summary of Significant Accounting Policies (Continued)

The Center files forms 990 and 990T in the U.S. federal jurisdiction and the state of Ohio. With few exceptions, the Center is no longer subject to examination by the Internal Revenue Service for years before 2012.

Rent expense: Rental expense for leases that contain a predetermined fixed escalation of the minimum rent is recognized on a straight-line basis over the lease term. The difference between the recognized rental expense and the amounts payable under the lease (if any) is recorded as deferred rent on the accompanying statement of financial position. There was no deferred rent as of June 30, 2016.

Recent accounting pronouncements: In May 2014, the 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 when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Center has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The standard is effective on January 1, 2020, with early adoption permitted. The Center is in the process of evaluating the impact of this new guidance.

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities, (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. The objective of this statement is to improve the current net asset classification requirements and information presented in financial statements and notes about an entity's liquidity, financial performance and cash flows. The statement is effective for fiscal years beginning after December 15, 2017. The Center has not yet determined the impact this statement will have on its financial statements.

Subsequent events: The Center evaluated subsequent events for potential recognition and/or disclosure through January 9, 2017, the date the financial statements were available to be issued.

Note 3. Accounts Receivable

Accounts receivable consist of the following as of June 30, 2016:

Member receivables	$ 189,266
Grants receivables	11,598
Other	66,522
	267,386
Allowance for uncollectible accounts	(10,500)
	$ 256,886

Note 4. Capital Campaign Pledge Receivable

Capital campaign pledge receivables consist of the following at June 30, 2016:

Unconditional promises expected to be collected in:	
Less than one year	$ 177,290
One to five years	7,734
	185,024
Allowance for uncollectible pledges	(9,792)
Discount on pledges	(5,313)
Pledges receivable, net	$ 169,919

The amount recorded as the discount to present value the future cash flows for pledge receivables beyond one year, is at a rate of 2% for the year ended June 30, 2016.

Note 5. Investments Held with the Columbus Jewish Foundation

The Center's investments are held in pooled investment funds managed by the Foundation. The pooled investment funds are comprised of fixed income and equity investments for which the Center is credited pro rata shares of investment returns based upon units of ownership interest. The Center invested certain available funds that were directly received from donors. The corpus of the donations were either temporarily or permanently restricted, with interest earned classified as temporarily restricted income. Investment income and the change in fair value resulting from holding the investments are allocated to the classes of net assets based on specific identification. Investments of $2,944,255 are comprised of investment pools invested in fixed income and equity investments at June 30, 2016.

Note 6. Fair Value Measurements

The Center follows the FASB guidance regarding fair value measurements. The guidance applies to all financial instruments that are being measured and reported at fair value and establishes a three level hierarchy for disclosure to show the extent and the level of judgment used to estimate fair value measurements.

Note 6. Fair Value Measurements (Continued)

The three categories are defined as follows:

Level 1 -- Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 -- Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 -- Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

For the fiscal year ended June 30, 2016, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

Pooled funds*:* The Center participates in a pooled fund held and managed by the Foundation. The fair value of the pooled funds held by the Center is based on the net asset value (NAV) of units held at year end. Therefore, it was determined that these investments qualified as Level 2. While the Center believes their valuation method is appropriate, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Beneficial interest in assets held by Columbus Jewish Foundation: The fair value of the beneficial interest in assets held by others is based on quoted prices of underlying assets held by trustees. Due to the restrictions on these assets that do not allow the Center redemption rights, fair value is deemed to be based on Level 3 inputs.

The following table sets forth by level, within the fair value hierarchy, the Center's financial assets that were accounted for at a fair value on a recurring basis as of June 30, 2016. The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Center's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels. The table does not include cash on hand or other assets and liabilities that are measured at historical cost or any basis other than fair value.

	Level 1	Level 2	Level 3	Total
Financial assets:				
Pooled funds - The Columbus Jewish Foundation	$ -	$ 2,944,255	$ -	$ 2,944,255
Beneficial interest in assets held by others	-	-	826,553	826,553
Total assets at fair value	$ -	$ 2,944,255	$ 826,553	$ 3,770,808

Note 6. Fair Value Measurements (Continued)

The following table sets forth a summary of changes in the fair value of the Center's Level 3 assets for the year ended June 30, 2016:

	Beneficial Interest in Assets Held by Others
Balance, beginning of year	$ 838,314
Contributions	25,383
Distributions	(2,613)
Change in fair value of beneficial interests in assets held by the Foundation	(34,531)
Balance, end of year	$ 826,553

Note 7. Beneficial Interest in Assets Held by the Columbus Jewish Foundation

Certain donors created permanent and temporary endowment funds at the Foundation to benefit the Center. The Foundation owns and manages the funds; however, the Center is the irrevocable beneficiary of the proceeds of these funds. Accordingly, the Center recorded the beneficial interest of these funds on the statement of financial position. The present value of the future distributions to be received at June 30, 2016 was approximately $791,000, and is included in the statement of financial position as beneficial interest in assets held by the Foundation.

In addition, certain donors have transferred investment instruments to the Foundation to benefit the Center. The donors made irrevocable deferred gifts that, upon the donor's death, the remaining corpus will generate interest and dividend earnings that will be available for use by the Center as the named beneficiary. The corpus will continue to be held by the Foundation. The funds' balance at June 30, 2016 was approximately $36,000, and is included in the statement of financial position as beneficial interest in assets held by the Foundation.

Note 8. Endowment Funds

The Center has several donor-restricted endowment funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Center has interpreted the Ohio Uniform Prudent Management of Institutional Funds Act (UPMIFA), effective in Ohio on June 1, 2009, 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 Center classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets, until those amounts are appropriated for expenditure by the Center in a manner consistent with the standard of prudence prescribed by UPMIFA.

Note 8. Endowment Funds (Continued)

In accordance with UPMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Center 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 Center
(7) The investment policies of the Center

Funds with deficiencies: From time to time, the fair value of assets associated with the individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA required the Center to retain as a fund of perpetual duration. Deficiencies of this nature are first applied to unappropriated, temporarily restricted net assets generated from investment income, realized and unrealized gains, if any. If there is any remaining deficiency, it is applied to unrestricted net assets in accordance with GAAP. At June 30, 2016, funds with deficiencies totaled $7,229. These deficiencies resulted from unfavorable market fluctuations as valued at June 30, 2016.

Return objectives and risk parameters: The Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are invested with the Foundation which has investment policies intended to produce positive results while assuming a moderate level of investment risk. The Center expects its endowment funds, over time, to provide an average rate of return of at least 4% annually. Actual returns in any given year may vary from this amount.

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

Spending policy and how the investment objectives relate to spending policy: Absent explicit donor spending stipulation, the Center has a policy of appropriating for distribution each year up to 4% of its endowment fund's average fair value over the prior 12 quarters through the fiscal year-end proceeding the fiscal year in which the distribution is planned. The Foundation represents that the Center has available for each subsequent fiscal year the lesser of earnings or 4% of the fair value of the funds, except for the Weinberg Fund, which has available 5% of the average fund principal as stated in the endowment fund agreement. Appropriations and related distributions will only occur if the fair value of the underlying investment portfolio is equal to or greater than the original corpus contributions collected and deposited. In establishing this policy, the Center considered the long-term expected return on its endowment. Accordingly, over the long term, the Center expects the current spending policy to allow its endowment to grow at an average of at least 4% annually. This is consistent with the Center's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Note 8. Endowment Funds (Continued)

The following is a summary of the endowment net asset composition by type of fund as of June 30, 2016:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (7,229)	$ 309,759	$ 2,586,347	$ 2,888,877

Changes in endowment net assets are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2015	$ (2,272)	$ 411,643	$ 2,570,029	$ 2,979,400
Investment return				
Investment income (expense)	(1,484)	189,094	1,514	189,124
Net depreciation	(2,474)	(192,059)	-	(194,533)
Total investment return	(3,958)	(2,965)	1,514	(5,409)
Contributions	-	-	14,804	14,804
Appropriation of endowment assets for expenditures	(999)	(98,919)	-	(99,918)
Balance at June 30, 2016	$ (7,229)	$ 309,759	$ 2,586,347	$ 2,888,877

Management excluded the beneficial interest in assets held by the Foundation from the endowment activity above because the donors sent the gift directly to a community foundation and contractually established the Foundation as having variance power, including those gifts established by a trust agreement. Endowment activity above includes all Center owned investments for which the donor has restricted the corpus for the purpose of generating income to enable the Center to conduct ongoing operations and programs. For the endowment activity disclosure above, management considers all investment income temporarily restricted until appropriated for expenditure. On the statement of activities and changes in net assets, this investment income is shown as temporarily restricted until appropriated for expenditure. Consistent with the reporting method used for contributions, temporarily restricted investment income, whose restricted purpose was fulfilled in the same year the income was received, is recorded as unrestricted investment income.

Note 9. Property Held for Lease

The Center leases property to a tenant under a month-to-month lease that is accounted for as an operating lease. Rental income reflected in the statement of activities as other revenue was approximately $11,000 for the year ended June 30, 2016.

Note 10. Line of Credit

The Center has a line of credit agreement with a bank that matures in June 2017. The line of credit allows for borrowings up to $500,000 and bears interest at a rate of one month LIBOR plus 2.00%. At June 30, 2016, the LIBOR rate was 0.47%. Interest is payable monthly with the principal balance due on demand. This line of credit is secured by all deposit accounts. There were no amounts outstanding on the line of credit at June 30, 2016.

Note 11. Mortgage Loan

The Center had a construction loan agreement with a financial institution allowing the Center to borrow up to a maximum of $2,200,000 that matured in August 2019. Principal payments were due in five equal annual installments commencing in August 2015. In August 2014 the Center paid $600,000 on the construction loan agreement and refinanced the remaining construction loan balance into a mortgage loan with a principal balance of $780,000. The mortgage loan matures in August 2019 and required quarterly principal payments of $19,500 commencing November 2014. In May 2015 the mortgage loan agreement was amended and the quarterly principal payments changed to $16,868 commencing May 2015 with the balance due at maturity. Borrowings under the mortgage loan bear interest at LIBOR plus 1.50%. Based upon an agreement with the Columbus Jewish Foundation, the Foundation will pay the financial institution the interest from the loan on behalf of the Center. Borrowings under the mortgage loan agreement are collateralized by the market securities held by the Foundation. As of June 30, 2016, the outstanding balance on the mortgage loan was $406,658.

Future maturities of long-term debt is as follows for the years ending June 30:

2017	$	67,472
2018		67,472
2019		67,472
2020		204,242
	$	406,658

Note 12. Operating Leases

The Center leases vehicles and various office equipment under operating lease agreements which requires fixed monthly payments expiring at various dates through 2024. The Center also leases real property under operating lease agreements. Rent expense was approximately $174,000 in 2016.

The future minimum rental payments required under non-cancelable long-term operating leases are as follows at June 30, 2016:

2017	$	148,266
2018		136,070
2019		135,324
2020		65,329
2021		59,663
Thereafter		227,908
	$	772,560

Note 13. Advances from State of Ohio

During 2010, the Center entered into a joint use agreement with Columbus State Community College (the College). Under the agreement, the College, through a State of Ohio capital appropriation, provided $566,375 to be used for improvements to the New Albany facility and in return, the Center provides the College use of the multi-purpose room, library, and a conference room at the facility. The term of the agreement is 20 years. If the agreement is terminated prior to the expiration date, a prorated amount of the original funding would have to be returned, as defined in the agreement. The Center has recorded a liability for this funding as Advances from State of Ohio in the accompanying statement of financial position and each year, a prorated portion of the liability will be written off. In addition, the Center has recorded a corresponding right to use asset in the accompanying statement of financial position to reflect the College's right to use the facility over the term of the agreement. This amount will be amortized over the life of the agreement. During 2016, the Center recognized other income and amortization expense of $28,319 and the unamortized balance was $396,462 at June 30, 2016. The Columbus Jewish Federation owns the New Albany facility and incurred all construction costs. Therefore, the Center transferred the funding to the Columbus Jewish Federation as reimbursement for construction costs.

Note 14. Temporarily Restricted Net Assets

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

Cultural arts	$ 76,264
Adult programs	91,109
Youth programs	829,716
Outreach programs	55,112
Recreation and wellness	682,170
Tribute funds	172,872
General	239,405
	$ 2,146,648

Note 15. Permanently Restricted Net Assets

Permanently restricted net assets are beneficial interests in assets and endowed contributions, the corpus of which is to be held in perpetuity and the income from which is expendable to support the following purposes at June 30, 2016:

Cultural arts	$ 269,211
Adult programs	31,885
Youth programs	266,056
Recreation and wellness	2,260,038
General	169,580
	$ 2,996,770

Note 16. Retirement Plan

The Center administers a contributory 403(b) retirement plan for the benefit of essentially all employees. There is no age or minimum years of service requirement for participation in the Plan. The Center does not contribute to this Plan.