

**JEWISH FAMILY SERVICE OF NASHVILLE
AND MIDDLE TENNESSEE, INC.**

FINANCIAL STATEMENTS

June 30, 2016 and 2015

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Jewish Family Service of Nashville and Middle Tennessee, Inc.
Nashville, Tennessee

We have audited the accompanying financial statements of Jewish Family Service of Nashville and Middle Tennessee, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015 and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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 Family Service of Nashville and Middle Tennessee, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Frasier, Owen + Howard, PLLC

November 5, 2016

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2016 and 2015

	2016	2015
Assets		
Cash	\$ 54,826	\$ 30,576
Grants receivable from Jewish Federation	1,013	2,708
Contributions receivable	11,460	18,538
Accounts and other receivables, less allowance for doubtful accounts of \$110	10,275	11,438
Prepaid expenses	4,358	4,766
Investments	462,151	409,629
Property and equipment, net	17,798	5,000
Total assets	\$ 561,881	\$ 482,655
Liabilities and Net Assets		
Accounts payable	\$ 14,855	\$ 8,985
Accrued expenses	9,347	12,670
Total liabilities	24,202	21,655
Net assets:		
Unrestricted	527,369	449,814
Temporarily restricted	10,310	11,186
Total net assets	537,679	461,000
Total liabilities and net assets	\$ 561,881	\$ 482,655

See accompanying notes to financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and revenue:			
Fundraisers, net of expenses of \$20,212	\$ 178,989	\$ -	\$ 178,989
Jewish Federation grants	124,500	-	124,500
Other grants	66,500	-	66,500
Fees, net	39,710	-	39,710
Public support received directly	33,604	-	33,604
Investment income	19,762	-	19,762
Use of donated facilities	18,480	-	18,480
United Way	4,111	-	4,111
Foundation distributions	2,483	-	2,483
Jewish Federation reimbursements	1,458	-	1,458
Net assets released from restrictions	876	(876)	-
	<u>490,473</u>	<u>(876)</u>	<u>489,597</u>
Total support and revenue			
Expenses:			
Program services:			
Adoption	63,238	-	63,238
Counseling and case management	57,143	-	57,143
Financial aid/Kosher food box	43,701	-	43,701
Senior services	61,464	-	61,464
Family and community education	56,025	-	56,025
	<u>281,571</u>	<u>-</u>	<u>281,571</u>
Total program services			
Supporting services:			
Management and general	76,128	-	76,128
Fundraising	44,125	-	44,125
	<u>120,253</u>	<u>-</u>	<u>120,253</u>
Total supporting services			
Total expenses	<u>401,824</u>	<u>-</u>	<u>401,824</u>
Change in net assets from operations	88,649	(876)	87,773
Net loss on investments	<u>(11,094)</u>	<u>-</u>	<u>(11,094)</u>
Change in net assets	77,555	(876)	76,679
Net assets, beginning of year	<u>449,814</u>	<u>11,186</u>	<u>461,000</u>
Net assets, end of year	<u>\$ 527,369</u>	<u>\$ 10,310</u>	<u>\$ 537,679</u>

See accompanying notes to financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Fundraisers, net of expenses of \$29,990	\$ 168,832	\$ -	\$ 168,832
Jewish Federation grants	121,613	-	121,613
Other grants	69,000	-	69,000
Fees, net	58,054	-	58,054
Public support received directly	40,789	-	40,789
Use of donated facilities	18,480	-	18,480
Investment income	10,770	-	10,770
Jewish Federation reimbursements	10,206	-	10,206
United Way	4,366	-	4,366
Foundation distributions	442	-	442
Net assets released from restrictions	175	(175)	-
	<u>502,727</u>	<u>(175)</u>	<u>502,552</u>
Total support and revenue			
Expenses:			
Program services:			
Adoption	117,427	-	117,427
Counseling and case management	51,978	-	51,978
Financial aid/Kosher food box	45,502	-	45,502
Senior services	44,420	-	44,420
Family and community education	52,028	-	52,028
	<u>311,355</u>	<u>-</u>	<u>311,355</u>
Total program services			
Supporting services:			
Management and general	66,197	-	66,197
Fundraising	31,753	-	31,753
	<u>97,950</u>	<u>-</u>	<u>97,950</u>
Total supporting services			
Total expenses	<u>409,305</u>	<u>-</u>	<u>409,305</u>
Change in net assets from operations	93,422	(175)	93,247
Net loss on investments	(11,999)	-	(11,999)
Change in net assets	81,423	(175)	81,248
Net assets, beginning of year	<u>368,391</u>	<u>11,361</u>	<u>379,752</u>
Net assets, end of year	<u>\$ 449,814</u>	<u>\$ 11,186</u>	<u>\$ 461,000</u>

See accompanying notes to financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 76,679	\$ 81,248
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	2,266	2,375
Donated investments	(1,854)	(2,994)
Net realized and unrealized loss on investments	11,094	11,999
Changes in operating assets and liabilities:		
Grants receivable from Jewish Federation	1,695	553
Contributions receivable	7,078	(9,562)
Accounts receivable and other receivables	1,163	(3,691)
Prepaid expenses	408	(277)
Accounts payable	5,870	389
Accrued expenses	(3,323)	1,338
	<u>101,076</u>	<u>81,378</u>
Net cash provided by operating activities		
Cash flows from investing activities:		
Purchases of property and equipment	(15,064)	-
Purchases of investments	(130,795)	(116,771)
Sale of investments	69,033	-
	<u>(76,826)</u>	<u>(116,771)</u>
Net cash used in investing activities		
Increase (decrease) in cash	24,250	(35,393)
Cash, beginning of year	<u>30,576</u>	<u>65,969</u>
Cash, end of year	<u>\$ 54,826</u>	<u>\$ 30,576</u>
Supplemental disclosure of cash flow information:		
Donated investments	<u>\$ 1,854</u>	<u>\$ 2,994</u>

See accompanying notes to financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2016

	Program Services					Supporting Services			Total Expenses
	Adoption	Counseling and Case Management	Financial Aid/ Kosher Food Box	Senior Services	Family and Community Education	Total Program Expenses	Management and General	Fundraising	
Salaries	\$ 45,911	\$ 41,185	\$ 22,378	\$ 35,771	\$ 37,552	\$ 182,797	\$ 55,627	\$ 32,386	\$ 270,810
Employee health and retirement benefits	5,382	4,999	2,555	644	3,859	17,439	5,977	1,264	24,680
Payroll taxes	3,459	3,103	1,686	2,695	2,829	13,772	4,191	2,440	20,403
Total payroll expenses	54,752	49,287	26,619	39,110	44,240	214,008	65,795	36,090	315,893
Program expenses	26	39	7,011	11,568	1,526	20,170	206	75	20,451
Rent	2,640	2,640	2,640	2,640	2,640	13,200	2,640	2,640	18,480
Professional fees	1,580	1,580	1,581	3,279	4,189	12,209	1,410	1,314	14,933
Supplies	661	843	431	2,080	659	4,674	1,146	1,669	7,489
Insurance	561	560	560	560	560	2,801	1,092	560	4,453
Marketing and public relations	413	407	407	790	1,289	3,306	437	425	4,168
Specific assistance to individuals	-	-	3,586	-	-	3,586	-	-	3,586
Telephone	816	816	245	245	245	2,367	244	246	2,857
Dues and subscriptions	414	469	273	290	306	1,752	289	579	2,620
Depreciation and amortization	-	-	-	-	-	-	2,266	-	2,266
Conferences, conventions, and meetings	535	244	75	385	103	1,342	322	76	1,740
Postage and delivery	248	175	155	155	155	888	177	399	1,464
Travel	574	65	100	285	96	1,120	64	34	1,218
Taxes, licenses, and other	18	18	18	77	17	148	40	18	206
Total expenses	<u>\$ 63,238</u>	<u>\$ 57,143</u>	<u>\$ 43,701</u>	<u>\$ 61,464</u>	<u>\$ 56,025</u>	<u>\$ 281,571</u>	<u>\$ 76,128</u>	<u>\$ 44,125</u>	<u>\$ 401,824</u>

See accompanying notes to financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2015

	<u>Program Services</u>					<u>Supporting Services</u>			<u>Total Expenses</u>
	<u>Adoption</u>	<u>Counseling and Case Management</u>	<u>Financial Aid/ Kosher Food Box</u>	<u>Senior Services</u>	<u>Family and Community Education</u>	<u>Total Program Expenses</u>	<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$ 84,216	\$ 37,409	\$ 17,895	\$ 25,295	\$ 32,950	\$ 197,765	\$ 43,749	\$ 28,351	\$ 269,865
Employee health and retirement benefits	9,249	4,097	1,906	354	3,422	19,028	2,033	1,300	22,361
Payroll taxes	6,215	2,723	1,242	1,904	2,396	14,480	3,288	2,102	19,870
Total payroll expenses	99,680	44,229	21,043	27,553	38,768	231,273	49,070	31,753	312,096
Program expenses	117	36	8,374	14,263	1,745	24,535	32	-	24,567
Rent	6,747	2,960	1,386	308	2,495	13,896	4,584	-	18,480
Professional fees	2,533	1,178	543	1,664	6,758	12,676	3,402	-	16,078
Specific assistance to individuals	-	-	12,500	-	-	12,500	-	-	12,500
Insurance	1,414	612	285	57	520	2,888	1,907	-	4,795
Supplies	1,586	795	396	165	405	3,347	1,267	-	4,614
Marketing and public relations	1,240	461	532	195	309	2,737	689	-	3,426
Telephone	1,334	959	128	27	273	2,721	678	-	3,399
Conferences, conventions, and meetings	908	425	139	16	325	1,813	1,465	-	3,278
Depreciation and amortization	-	-	-	-	-	-	2,375	-	2,375
Travel	1,153	67	81	156	277	1,734	129	-	1,863
Postage and delivery	394	152	71	15	126	758	347	-	1,105
Dues and subscriptions	198	39	24	1	27	289	250	-	539
Taxes, licenses, and other	123	65	-	-	-	188	2	-	190
Total expenses	<u>\$ 117,427</u>	<u>\$ 51,978</u>	<u>\$ 45,502</u>	<u>\$ 44,420</u>	<u>\$ 52,028</u>	<u>\$ 311,355</u>	<u>\$ 66,197</u>	<u>\$ 31,753</u>	<u>\$ 409,305</u>

See accompanying notes to financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2016 and 2015

NOTE 1 – ORGANIZATION AND PURPOSE

Jewish Family Service of Nashville and Middle Tennessee, Inc. (“Jewish Family Service”) is a Tennessee not-for-profit corporation. Its purpose is to provide a full range of social services. These services include counseling and psychotherapy, emergency financial assistance to the Jewish community, adoption, case management, information and referral, Jewish family and community education, and other social service activities. The service area is Davidson County and Middle Tennessee.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Jewish Family Service have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below.

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Jewish Family Service and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of Jewish Family Service and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by Jewish Family Service. Jewish Family Service had no permanently restricted net assets at June 30, 2016 and 2015.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, Jewish Family Service reports the support as unrestricted.

Interest and investment income are recorded as revenue when received. Revenue is recorded for use of the donated facilities and donated services when the use of space or service occurs.

Cash

For purposes of the statements of cash flows, Jewish Family Service considers cash funds and cash bank accounts to be cash.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2016 and 2015

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are stated at acquisition cost, or estimated fair market value at the time of the gift, if donated, less accumulated depreciation, as calculated by the straight-line method, over estimated useful lives of three to seven years for furniture and equipment and ten years for leasehold improvements..

Receivables and Credit Policy

Accounts receivable for counseling services are uncollateralized client obligations due at the time the service is provided. Late fees or interest charges are not assessed on delinquent accounts. The carrying amount of accounts receivable is reduced by a valuation allowance, if necessary, which reflects management’s best estimate of the amounts that will not be collected.

Contributions receivable are recorded when notice is received that a future donation will occur. No discounts are recorded on contributions receivable that are due within twelve months.

Grant revenue from the Jewish Federation of Nashville and Middle Tennessee (“Jewish Federation”) is recorded when expenditures are incurred that will be reimbursed by the grantor.

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Adoption – provides birth parent counseling, domestic and international home studies, and post-adoption services.

Counseling and case management – provides on-going individual, family and marital counseling using various therapeutic approaches.

Financial aid/Kosher food box – provides emergency financial assistance or a monthly food box containing Kosher food items to those in need. Recipients are interviewed by a social worker to determine eligibility.

Senior services – supports senior adults and people with disabilities in the Nashville Jewish community. Senior services is subsidized by a grant from the Jewish Federation. The Temple also provides funds necessary to support a Temple senior lunch program.

Family and community education – includes group presentations and workshops to strengthen Jewish family life.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2016 and 2015

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Program and Supporting Services (Continued)

Management and general – includes the functions necessary to ensure an adequate working environment and costs not identifiable with a single program or activity. Includes costs associated with providing coordination and implementation of Jewish Family Service’s program strategy, business management, general recordkeeping, budgeting and related purposes.

Fundraising – includes costs of activities directed toward appeals for financial support.

Expenses by function are allocated among program and supporting services based on time records and analyses by management.

Donated Services and Facilities

The value of services donated by individuals who assist with programs is not reflected in the financial statements since it does not meet the recording requirements specified by accounting principles generally accepted in the United States of America.

Jewish Family Service occupies, without charge, certain office space located in the Gordon Jewish Community Center. The estimated fair rental value of the office space is recognized as revenue and expense in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

Jewish Family Service qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. Accordingly, no provision for federal income taxes is included in the accompanying financial statements.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2016 and 2015

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

Jewish Family Service follows Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) guidance that clarifies the accounting for uncertainty in income taxes recognized in an entity’s financial statements. This guidance prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. Jewish Family Service has no tax penalties or interest reported in the accompanying financial statements. Jewish Family Service had no uncertain tax positions at June 30, 2016 and 2015. Tax years prior to the year ended June 30, 2013 are closed to examination.

Subsequent Events

Jewish Family Service evaluated subsequent events through November 5, 2016, when these financial statements were available to be issued. Management is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to the filing of this report that would have a material impact on the financial statements.

NOTE 3 – FAIR VALUE MEASUREMENTS

Jewish Family Service has adopted the Fair Value Measurement topic of the FASB ASC, which establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 Inputs to the valuation methodology include: 1) quoted prices for similar assets or liabilities in active markets, 2) quoted prices for identical or similar assets or liabilities in inactive markets, 3) inputs other than quoted prices that are observable for the asset or liability, and 4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2016 and 2015

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. The realized and unrealized gains or losses on investments are reflected in the statements of activities.

The following is a description of the valuation methodologies used for asset measurement at fair value. There have been no changes in the methodologies used at June 30, 2016 and 2015.

Money market funds and mutual funds: Valued at the net asset value of shares held by Jewish Family Service at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Jewish Family Service's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are stated at fair value with fair value determined based on active markets (Level 1) and consist of the following at June 30:

	2016	2015
Balanced mutual funds	\$ 232,919	\$ 181,767
Stock mutual funds	96,129	16,076
Money market funds	70,571	170,150
Bond mutual funds	62,532	41,636
	\$ 462,151	\$ 409,629

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2016 and 2015

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2016	2015
Leasehold improvements	\$ 15,064	\$ -
Furniture, equipment and software	14,551	14,551
Less accumulated depreciation and amortization	(11,817)	(9,551)
	\$ 17,798	\$ 5,000

NOTE 5 – NET ASSETS

Jewish Family Service has received contributions from donors with the stipulation that such contributions are to be used for specific purposes. Temporarily restricted net assets consist of the following at June 30:

	2016	2015
Helping Hands Fund	\$ 10,000	\$ 10,000
Needy Family Assistance Fund	205	1,081
Wall of Remembrance Fund	105	105
	\$ 10,310	\$ 11,186

NOTE 6 – DONATED FACILITIES

Jewish Family Service’s office space is located in the Gordon Jewish Community Center. No rent payments are required, but the use of donated facilities is recorded at its estimated value. Donated facilities amounted to \$18,480 for the years ended June 30, 2016 and 2015.

NOTE 7 – PENSION PLAN

Jewish Family Service employees who meet certain participation requirements may elect to participate in a defined contribution pension plan. Those who elect to participate must contribute a minimum of 1% of their covered wages and may contribute up to a maximum of 20% each year subject to Internal Revenue Service limitations. Jewish Family Service has the option of making a matching contribution. During the years ended June 30, 2016 and 2015, Jewish Family Service matched up to 3% and 2.5%, respectively, of compensation of employees who participated in the defined contribution plan. For the years ended June 30, 2016 and 2015, Jewish Family Services recognized expense of \$5,366 and \$3,752, respectively, in matching contributions.

JEWISH FAMILY SERVICE OF NASHVILLE AND MIDDLE TENNESSEE, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2016 and 2015

NOTE 8 – CONCENTRATIONS

Jewish Family Service utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of financial position.

Jewish Family Service receives a substantial amount of its support from the Jewish Federation in the form of grants. A reduction in the level of this support, if this were to occur, may have a significant effect on Jewish Family Service's programs and activities.