UNION FOR REFORM JUDAISM
AND CONSOLIDATED ENTITIES

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

UNION FOR REFORM JUDAISM
AND CONSOLIDATED ENTITIES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Union for Reform Judaism

We have audited the accompanying consolidated financial statements of the Union for Reform Judaism and consolidated entities, which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Union for Reform Judaism and consolidated entities as of December 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Citrin Cooperman & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Plainview, New York
July 13, 2016

UNION FOR REFORM JUDAISM
AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014
(In Thousands)

	2015	2014
ASSETS		
Cash and cash equivalents	$ 10,973	$ 11,599
Contributions receivable, net	6,967	7,221
Dues receivable, net	2,600	2,616
Accounts and loans receivable, net	1,335	775
Camp fee receivable, net	28,023	27,804
Investments	88,797	89,176
Property and equipment, net of accumulated depreciation	81,019	79,657
Goodwill	1,202	1,202
Inventory	35	528
Prepaid pension costs	-	928
Prepaid expenses and other assets	944	1,243
TOTAL ASSETS	$ 221,895	$ 222,749
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable, accrued expenses and other liabilities	$ 5,637	$ 4,363
Reserves for strategy implementation and leadership transition costs	616	2,401
Notes and mortgage payable	9,840	11,752
Annuities payable	236	253
Accrued pension liability	335	-
Deferred revenue	34,081	34,184
Total liabilities	50,745	52,953
Commitments and contingencies (Notes 6, 7, 11 and 14)		
Net assets:		
Unrestricted	107,402	109,158
Temporarily restricted	52,545	49,445
Permanently restricted	11,203	11,193
Total net assets	171,150	169,796
TOTAL LIABILITIES AND NET ASSETS	$ 221,895	$ 222,749

See accompanying notes to consolidated financial statements.

UNION FOR REFORM JUDAISM
AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands)

	2015				2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating activities:								
Public support and revenues:								
Contributions and grants	$ 4,365	$ 16,449	$ 10	$ 20,824	$ 4,006	$ 15,413	$ 4	$ 19,423
Program fees	59,221	14	-	59,235	56,202	-	-	56,202
Membership dues available to the Union	11,406	-	-	11,406	12,161	-	-	12,161
Rental and other income	303	-	-	303	142	-	-	142
Investment return designated for current operations	2,110	-	-	2,110	1,385	-	-	1,385
Total public support and revenues before net assets released from restrictions	77,405	16,463	10	93,878	73,896	15,413	4	89,313
Net assets released from restrictions	12,709	(12,709)	-	-	12,047	(11,604)	(443)	-
Total public support and revenues	90,114	3,754	10	93,878	85,943	3,809	(439)	89,313
Expenses:								
Programs	76,940	-	-	76,940	72,478	-	-	72,478
Supporting services:								
Management and general	5,296	-	-	5,296	5,168	-	-	5,168
Fundraising	899	-	-	899	743	-	-	743
Membership development	520	-	-	520	487	-	-	487
Total supporting services	6,715	-	-	6,715	6,398	-	-	6,398
Total expenses	83,655	-	-	83,655	78,876	-	-	78,876
Change in net assets from operations before depreciation and amortization and other activities	6,459	3,754	10	10,223	7,067	3,809	(439)	10,437
Depreciation and amortization	4,712	-	-	4,712	4,414	-	-	4,414
Change in net assets before other activities	1,747	3,754	10	5,511	2,653	3,809	(439)	6,023
Other activities:								
Investment return (loss) in excess of spending rate not designated for current operations	(1,993)	(551)	-	(2,544)	1,373	3,287	-	4,660
Reserve for environmental remediation	-	-	-	-	(853)	-	-	(853)
Insurance proceeds from environmental remediation	-	-	-	-	1,536	-	-	1,536
Reserve for strategy implementation	-	-	-	-	(1,917)	-	-	(1,917)
Pension-related changes other than periodic costs	(1,764)	-	-	(1,764)	(914)	-	-	(914)
Foreign currency translation losses	(24)	(103)	-	(127)	(64)	(60)	-	(124)
Recovery (expense) attributed to uncollectible accounts	278	-	-	278	(964)	(95)	-	(1,059)
Change in net assets	(1,756)	3,100	10	1,354	850	6,941	(439)	7,352
Net assets, beginning of year	109,158	49,445	11,193	169,796	108,308	42,504	11,632	162,444
NET ASSETS, END OF YEAR	$ 107,402	$ 52,545	$ 11,203	$ 171,150	$ 109,158	$ 49,445	$ 11,193	$ 169,796

See accompanying notes to consolidated financial statements.

UNION FOR REFORM JUDAISM
AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands)

	2015	2014
Cash flows from operating activities:		
Change in net assets	$ 1,354	$ 7,352
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	4,712	4,414
Donated securities	(34)	-
Net unrealized depreciation (appreciation) in fair value of investments	4,457	(2,496)
Net realized gain on sale of investments	(859)	(45)
Expense (recovery) attributed to uncollectible accounts	(278)	1,059
Foreign exchange translation adjustment	-	142
Changes in:		
Contributions receivable	594	(1,778)
Accounts and loans receivable	(606)	1,204
Camp fee receivable	(219)	(478)
Inventory	493	170
Prepaid pension costs	928	499
Prepaid expenses and other assets	299	(263)
Accounts payable, accrued expenses and other liabilities	513	(1,560)
Reserves for strategy implementation and leadership transition costs	(1,785)	1,808
Annuities payable	(17)	(55)
Accrued pension liability	335	-
Deferred revenue	(103)	2,256
Net cash provided by operating activities	9,784	12,229
Cash flows from investing activities:		
Proceeds from sales of investments	1,192	4,612
Purchases of investments	(4,377)	(7,053)
Purchases of property and equipment	(5,313)	(9,223)
Net cash used in investing activities	(8,498)	(11,664)
Cash flows from financing activities:		
Principal payments on notes and mortgage	(3,912)	(2,385)
Proceeds from additional borrowings	2,000	-
Net cash used in financing activities	(1,912)	(2,385)
Net decrease in cash and cash equivalents	(626)	(1,820)
Cash and cash equivalents - beginning	11,599	13,419
CASH AND CASH EQUIVALENTS - ENDING	$ 10,973	$ 11,599
Supplemental disclosure of cash flow information:		
Interest paid	$ 363	$ 434
Supplemental disclosure of non-cash investing activities:		
Property and equipment additions unpaid at end of year	$ 761	$ -

See accompanying notes to consolidated financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and basis of presentation

The Union for Reform Judaism ("URJ") builds community at every level—from the way we collaborate with congregations, organizations, and individuals to how we make connections across North America to advance contemporary and inclusive Jewish life. Providing vision and voice to transform the way people connect to Judaism, we help congregations stay relevant and innovative, motivate more young Jews to embrace Jewish living, agitate for a more progressive society, and foster meaningful connections to Israel.

The URJ has grown into the largest and most powerful force in North American Jewish life, with nearly 900 member congregations and work that inspires, connects and educates millions of people. Our legacy, reach, leadership, and vision mean that we can unite thousands of years of tradition with a modern, evolving Judaism to strengthen Jewish communities today and for future generations.

The URJ is an Ohio corporation that was founded in Cincinnati, Ohio, in 1873 as the Union of American Hebrew Congregations ("UAHC"). In November 2003, the UAHC's name was changed to the Union for Reform Judaism.

The URJ and its consolidated affiliates are exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws when applicable. Activities of the URJ in Canada are carried out through related corporations that are either Canadian registered charities or otherwise exempt from income tax in Canada.

The URJ's consolidated financial statements are presented in thousands of dollars.

Basis of accounting

The consolidated financial statements of the URJ have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to not-for-profit organizations.

Functional allocation of expenses

The costs of providing programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated by management, using appropriate measurement methodologies, among the program services, management and general, fundraising and membership development areas.

Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the current year presentation. These reclassification adjustments had no effect on the URJ's previously reported change in net assets.

Cash and cash equivalents

For financial reporting purposes, the URJ considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash equivalents and certificates of deposit considered to be part of the investment portfolio are reflected as investments in the accompanying consolidated financial statements.

Membership dues

The congregational members of the URJ have agreed to assess themselves in order to provide financial support to the URJ and the Hebrew Union College - Jewish Institute of Religion (the "HUC-JIR"), a separate corporation. The URJ and the HUC-JIR have agreed on an allocation of the amounts received by the URJ and HUC-JIR of 56% and 44%, respectively.

The Maintenance of Union Membership ("MUM") system was the system of calculation guidelines used for many years to determine the proportional dues payable from each congregation to the URJ. It was based on a formula that included calculation based on certain of the congregations' expenses and their number of member households.

In November 2015, the membership of the URJ voted to adopt a new system, called the Reform Movement Affiliation Commitment ("RMAC"), which would respond to the current fiscal concerns of congregations and be designed to be simple, fair, predictable, and transparent. Under the approved plan, which is effective starting January 1, 2016, congregations will be asked to contribute 4% of their adjusted operating revenues. As in the past, congregations may request adjustments to their RMAC based on financial hardship. Staff will meet with congregation representatives to agree such adjustments in accordance with policies set by the Membership Committee of the board.

Receivables

Contributions receivable are reported at the outstanding unpaid principal balances, reduced by an allowance for uncollectible contributions and net present value calculation. The URJ estimates its doubtful accounts based on historical bad debt, factors related to specific donors' ability to pay and current economic trends. The URJ writes off contributions receivable against the allowance when a balance is determined to be uncollectible.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables (continued)

Dues receivable, accounts and loans receivable, and camp fee receivable are recorded at net realizable value, which consists of the carrying amount less the allowance for doubtful accounts. The URJ maintains an allowance for doubtful accounts for estimated losses resulting from the inability of individuals or organizations to make required payments. The URJ considers the following factors when determining the collectibility of specific accounts: past transaction history, current economic trends and changes in payment terms. If the financial conditions of the individual or organization were to deteriorate, adversely affecting their ability to make payments, additional allowances may be required. Based on management's assessment, the URJ provides for estimated uncollectible amounts through a charge to earnings and credit to valuation allowance. Balances that remain outstanding after the URJ has made reasonable collection efforts are written off through a charge to the valuation allowance and credit to the receivable.

Investments

Investments are reported 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. See Note 2 for a discussion of fair value measurements.

Donated securities are reported at their fair values as determined on the dates of donation.

Investment transactions are recorded on a trade-date basis. Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition. The earnings from dividends and interest are recognized when earned.

Investment expenses include the services of bank trustees, investment managers and custodians. The balances of investment management fees disclosed in Note 2 are those specific fees charged by the URJ's various managers during the years ended December 31, 2015 and 2014; however, they do not include those fees that are embedded in various other investment accounts and transactions.

The URJ records bequest income and the beneficial interest in perpetual trusts at the time it has an established right to such resources and can estimate the eventual proceeds.

Property and equipment

Property and equipment are reported at their original costs or at their fair values on the dates of donation. Depreciation is provided over the estimated useful lives of these assets, which range from three to 40 years. Likewise, leasehold improvements are amortized over the shorter of the term of the underlying leases or useful life of the improvement. Depreciation and amortization are calculated using the straight-line method.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of long-lived assets

The URJ evaluates its long-lived assets for impairment in accordance with the guidelines of Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 360, *Property, Plant and Equipment*. If this evaluation indicates that an impairment loss should be recognized, the URJ will charge operations for the estimated impairment loss in the period determined. No impairment charges were required during the years ended December 31, 2015 and 2014.

Goodwill

Costs of net assets in purchased organizations in excess of the underlying fair value of net assets at dates of acquisition are recorded as goodwill and assessed annually for impairment. Losses due to impairment are to be recognized in earnings in the period impaired. Management has determined that there was no impairment of goodwill during the years ended December 31, 2015 and 2014.

Inventory

Inventory consists of publications, music, and camp supplies that are valued at the lower of cost or market value, using the first-in, first-out method. The URJ estimates the lower of cost or market value of inventory by adjusting the unit cost instead of maintaining an overall reserve for obsolescence. As discussed in the Notes to the Consolidated Financial Statements of December 31, 2014, the URJ decided, as part of its new strategy, to exit its books and music division and sell the related inventory. The sale of the inventory occurred in June 2015.

Net assets

Net assets are classified as unrestricted, temporarily restricted or permanently restricted, in accordance with donor-imposed restrictions or lack thereof. Each of these three classes of net assets is displayed in the accompanying consolidated financial statements, and the amounts of changes in each of these classes of net assets are displayed in the accompanying consolidated statements of activities.

Unrestricted net assets represent those resources that are not subject to donor restriction. The board of trustees has designated a portion of net assets to serve as an endowment of the URJ to provide reserves for programs and operations.

Temporarily restricted net assets represent those resources that are subject to the requirements of the Ohio Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), the use of which has been restricted by donors or state law to specific purposes and/or the passage of time. When a restriction expires, that is, when a stipulated time restriction ends, a purpose restriction is accomplished, or assets are appropriated, temporarily restricted net assets are reclassified as unrestricted and reported in the accompanying consolidated statements of activities as "Net assets released from restrictions."

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net assets (continued)

Permanently restricted net assets represent those resources subject to donor-imposed stipulations that they be maintained permanently by the URJ. The purposes for which the income and net capital appreciation arising from the underlying assets may be used depends on the wishes of those donors. Under the terms of UPMIFA, those earnings are classified as temporarily restricted in the accompanying consolidated statements of activities, pending appropriation by the board of trustees.

Contributions and pledges

Contributions are recorded as revenue upon the receipt of cash or unconditional pledges. Contributions are considered available for unrestricted use, unless specifically restricted by the donor. Conditional contributions are recorded when the specified conditions have been met.

The URJ reports contributions in the temporarily or permanently restricted net asset category if they are received with donor stipulations or time considerations as to their use. When a donor's restriction is met, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statements of activities as "Net assets released from restrictions."

The URJ is either the beneficiary or trustee of several irrevocable split-interest agreements. Contribution revenue for split-interest agreements is recognized at the date the agreement is established, net of the liability recorded for the present value of the estimated future payments to be made to the respective donors and/or beneficiaries. The contribution is recognized as unrestricted revenue if the donor does not restrict the use of the assets contributed to the URJ, and neither the agreement nor state law requires the assets received by the URJ to be invested until the income beneficiary's death. If either of these situations exists, the contribution portion of the split-interest agreements is recognized as a temporarily restricted contribution (see Note 3).

Program fees

Program fees consist of amounts charged to individuals or groups who participate in the numerous programs offered by the URJ, such as the summer camps and other programs listed in Note 10.

Rental income

The URJ rents office space to affiliates. Rental income is recognized on the straight-line method of accounting required by U.S. GAAP, under which contractual rent payment increases are recognized evenly over the lease term.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

Substantially all assets and liabilities of foreign operations are translated at year-end exchange rates; public support and revenues and expenses are translated at the average exchange rates during the year. Translation adjustments for such assets and liabilities are accumulated separately as part of net assets. Gains and losses from foreign currency translations are included in the accompanying consolidated statements of activities.

Deferred revenue

Revenues from camp activities are reported in the period in which the program is conducted. The portion applicable to subsequent periods is reported as deferred revenue until earned.

Measure of operations

The URJ includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities, including an authorized investment allocation.

Income tax uncertainties

The URJ is subject to the provisions of FASB ASC 740, *Income Taxes,* relating to accounting and reporting for uncertainty in income taxes. Due to its general tax-exempt status, FASB ASC 740 has not had, and is not anticipated to have, a material impact on the URJ's consolidated financial statements.

Subsequent events

The URJ has evaluated all material subsequent events through July 13, 2016, the date that these consolidated financial statements were available to be issued.

NOTE 2. FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurement*, establishes a three-level valuation hierarchy of fair value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets and liabilities at the reporting date.

(In Thousands)

NOTE 2. FAIR VALUE MEASUREMENTS (CONTINUED)

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

- Level 3: Valuations are determined based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the asset or liability or (ii) the underlying investments cannot be independently valued, or cannot be immediately redeemed at or near the fiscal year end.

The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the tables below. The valuation techniques are as follows:

(a) *Market approach.* Prices or other relevant information generated by market transactions involving identical or comparable assets or liabilities;

(b) *Cost approach.* Amount that would be required to replace the service capacity of an asset (replacement cost); and

(c) *Income approach.* Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The following tables summarize the URJ's investments measured at fair value on a recurring basis, categorized by U.S. GAAP's valuation hierarchy as of December 31, 2015 and 2014:

Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total at December 31, 2015	Valuation Technique
Cash (included in investments)	$ 1,648	$ -	$ -	$ 1,648	(a)
Certificates of deposit (included in investments)	807	-	-	807	(a)
Mutual funds – bond funds	26,037	-	-	26,037	(a)
Mutual funds – equity funds	58,961	-	-	58,961	(a)
Equities	382	-	-	382	(a)
Bonds and other	118	-	-	118	(a)
Beneficial interest in trust	-	-	844	844	(a)
Total	$ 87,953	$ -	$ 844	$ 88,797	

(In Thousands)

NOTE 2. FAIR VALUE MEASUREMENTS (CONTINUED)

Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total at December 31, 2014	Valuation Technique
Cash (included in investments)	$ 610	$ -	$ -	$ 610	(a)
Certificates of deposit (included in investments)	1,753	-	-	1,753	(a)
Mutual funds – bond funds	17,427	-	-	17,427	(a)
Mutual funds – equity funds	67,963	-	-	67,963	(a)
Equities	368	-	-	368	(a)
Bonds and other	165	-	-	165	(a)
Beneficial interest in trust	-	-	890	890	(a)
Total	$ 88,286	$ -	$ 890	$ 89,176	

The following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014:

Certificates of deposit are valued at fair value as determined by the custodian.

Mutual funds are valued at quoted market prices, which represent the net asset value of the securities held in such funds.

Equities and bonds are valued at the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers or fund managers.

Other fair value disclosures

The amounts included in the consolidated statements of financial position for cash and cash equivalents, contributions, camp fees, and other receivables, accounts payable, accrued expenses and other liabilities, and annuities payable approximate fair value due to the short-term nature of these instruments. The fair values of notes payable are approximately equal to their carrying values, which have been estimated based upon the current rates offered to the URJ for debt of the same or similar types and remaining maturities of the outstanding debt instruments.

(In Thousands)

NOTE 2. FAIR VALUE MEASUREMENTS (CONTINUED)

Investments

For the years ended December 31, 2015 and 2014, investment return (net of fees of $58 and $55, respectively) consisted of the following:

	Year Ended December 31, 2015		
	Unrestricted	Temporarily Restricted	Total
Interest and dividends	$ 1,539	$ 1,626	$ 3,165
Net realized and unrealized losses	(1,422)	(2,177)	(3,599)
Investment return (loss)	117	(551)	(434)
Investment returns applicable to spending rate	2,110	-	2,110
Investment loss in excess of authorized spending rate	$ (1,993)	$ (551)	$ (2,544)

	Year Ended December 31, 2014		
	Unrestricted	Temporarily Restricted	Total
Interest and dividends	$ 1,686	$ 1,818	$ 3,504
Net realized and unrealized gains	1,072	1,469	2,541
Investment return	2,758	3,287	6,045
Investment returns applicable to spending rate	1,385	-	1,385
Investment return in excess of authorized spending rate	$ 1,373	$ 3,287	$ 4,660

(In Thousands)

NOTE 3. SPLIT-INTEREST AGREEMENTS

The URJ's investments include deferred-giving vehicles subject to split-interest agreements. The different types of agreements currently maintained by the URJ are the charitable gift annuity, the charitable remainder annuity trust ("CRAT"), the charitable remainder unitrust ("CRUT"), and a pooled life income fund ("PLF").

- Charitable gift annuities are unrestricted irrevocable gifts under which the URJ agrees in turn to pay a life annuity to the donor or designated beneficiary. The contributed funds and the attendant liabilities immediately become part of the URJ's general assets and liabilities, subject to the URJ's maintaining an actuarial reserve.

- CRATS and CRUTS are time-restricted contributions not available to the URJ until after the death of the donor, who, while living, receives an annual payout from such trusts, based on a fixed percentage of the market value of the invested funds for the CRAT, or a fixed dollar amount for the CRUT.

- The PLF is composed of donations which are consolidated in a money market account. Contributors receive a pro rata share of the actual ordinary income of the fund until their deaths, at which point the donors' share of the assets becomes available to the URJ.

The URJ initially values deferred gifts of cash at face value and those of equity securities at fair value; these values are then actuarially discounted. Of the $88,797 and $89,176 recorded as investments in the accompanying consolidated statements of financial position at December 31, 2015 and 2014, respectively, $106 and $170 represents split-interest agreements. The associated estimated liabilities due to annuitants amounted to $236 and $253 at December 31, 2015 and 2014, respectively.

NOTE 4. RECEIVABLES

Contributions receivable

At each year end, contributions receivable are due as follows:

	December 31, 2015	December 31, 2014
One year	$ 4,883	$ 3,470
Two to five years	2,595	4,142
Thereafter	205	664
	7,683	8,276
Allowance for uncollectible contributions	(383)	(412)
Reduction of pledges due in excess of one year to present value, at a rate of 6%	(333)	(643)
	$ 6,967	$ 7,221

NOTE 4. RECEIVABLES

Contributions receivable (continued)

Approximately 52% of the contributions receivable balance at December 31, 2015, was derived from three donors. Approximately 28% of the contributions receivable balance at December 31, 2014, was derived from two donors.

Dues receivable

At December 31, 2015 and 2014, dues receivable consisted of amounts due to the URJ from congregations. All amounts are due within one year. Based on management's past experience, $5,200 and $5,184 has been reserved for doubtful dues collections at December 31, 2015 and 2014, respectively.

Accounts and loans receivable

At December 31, 2015 and 2014, accounts and loans receivable consisted of amounts due to the URJ from employees, affiliates and unrelated parties for exchange-type transactions, such as support services (including administrative and facility expenses), and employee loans and advances. All amounts are due between 1 - 5 years. Based on management's past experience, $33 and $46 has been reserved for doubtful collections of accounts and loans receivable at December 31, 2015 and 2014, respectively. The amount due from affiliated organizations at December 31, 2015 and 2014, was $369 and $129 respectively (see Note 13).

Camp fee receivable

Camp fee receivable consisted of camp tuition for campers that registered for the summer 2016 and 2015 sessions as of December 31, 2015 and 2014, respectively. All camp tuition is initially recorded through camp fee receivable as deferred revenue upon registration and is realized as revenue when the applicable camp session commences. All amounts are due within one year. Based on management's past experience, $54 has been reserved for doubtful collections of camp fee receivable at both December 31, 2015 and 2014.

(In Thousands)

NOTE 5. PROPERTY AND EQUIPMENT

At each year end, property and equipment consisted of the following:

	December 31, 2015	December 31, 2014
Land	$ 12,327	$ 12,107
Building and improvements	134,535	131,457
Leasehold improvements	750	750
Furniture, fixtures, equipment, and other	12,424	12,220
Camp vehicles and equipment	1,271	1,060
	161,307	157,594
Less: accumulated depreciation and amortization	(83,229)	(78,517)
	78,078	79,077
Construction-in-progress	2,941	580
	$ 81,019	$ 79,657

Depreciation and amortization expense for the years ended December 31, 2015 and 2014, was $4,712 and $4,414, respectively.

NOTE 6. RESERVES FOR STRATEGY IMPLEMENTATION AND LEADERSHIP TRANSITION COSTS

The Reserves for Strategy Implementation and Leadership Transition were created by the board of trustees of the URJ to fund investments based on the new strategic plan, developed as part of the 2020 Vision. These investments included personnel restructuring and an exit from the URJ's books and music division with the sale of its inventory on June 15, 2015. The URJ's board approved use of board-designated funds to underwrite the reserve, as well as a transfer of the remaining balance of the previously created restructuring reserve, to establish the Strategic Implementation Reserve. The balances in these reserves at the end of December 31, 2015 and 2014, were $616 and $2,401 respectively.

(In Thousands)

NOTE 6. RESERVES FOR STRATEGY IMPLEMENTATION AND LEADERSHIP TRANSITION COSTS (CONTINUED)

A summary of the strategy implementation and leadership transition costs recognized during the years ended December 31, 2015 and 2014, is as follows:

	Strategic Implementation Reserve	Restructuring Reserve	Leadership Transition Reserve	Total
Balance – January 1, 2014	$ -	$ 563	$ 30	$ 593
Establishment of reserve in 2014	1,917	-	-	1,917
Payments in 2014	-	(109)	-	(109)
Transfer in 2014	454	(454)	-	-
Balance – December 31, 2014	2,371	-	30	2,401
Payments in 2015	(1,766)	-	(19)	(1,785)
Balance – December 31, 2015	$ 605	$ -	$ 11	$ 616

NOTE 7. NOTES AND MORTGAGE PAYABLE

At each year end, the URJ had the following notes and mortgage payable:

	December 31, 2015	December 31, 2014
Camp Eisner		
Outstanding 6% debenture notes payable, held by various synagogues and individuals. These notes were callable five years after issue and were due June 1, 1999. Bondholders have been given the option either to cash in the bonds for face value or to donate them to the camp.	$ 35	$ 35
Crane Lake Camp, Inc.		
Mortgage note dated May 19, 1999, for the purchase of the assets of the camp. Annuity payments in variable amounts are due to the then-president of the camp in semi-annual installments through July 2028, as long as the president of the camp or his spouse is living. Upon the death of the survivor, a final payment is payable and the obligation to make future payments under the agreement ceases. This liability is valued at the present value of the future payments due utilizing a discount rate of 6%.	1,136	1,195

(In Thousands)

NOTE 7. NOTES AND MORTGAGE PAYABLE (CONTINUED)

	2015	2014
Avi Chai Foundation Loan - Greene Family Camp		
Term interest-free loan with a foundation dated May 2010, in the original amount of $800. Principal payments of $40 were due in quarterly installments commencing in January 2011 and continuing through 2015. The note was paid in full in October 2015.	$ -	$ 160
Derek Newby - Maple Lake Center		
Unsecured term loan with a principal dated February 2011, in the original amount of $250 Canadian dollars ("CAD"). The loan has a fixed interest rate of 5%, with 64 payments of principal and interest of $4 CAD which are due in quarterly installments through November 2025.	155	190
Beaunaro, Inc. - Maple Lake Center		
Term interest-free loan with a principal dated November 2009 (amended and restated August 2013), in the original amount of $350 CAD. Principal payment of $50 CAD is due on or before December 31 of each year commencing 2014 through 2018.	157	194
Avi Chai Foundation Loan - Crane Lake/Eisner Camp		
Term interest-free loan with a foundation dated February 2011, in the original amount of $725. Principal payments of $36 are due in quarterly installments commencing in October 2011 and continuing through 2016. The loan is secured by a letter of credit.	109	254
Signature Bank		
Loan with a bank dated September 2010, in the original amount of $5,000. The loan had a fixed interest rate of 3.9% with monthly principal and interest payments starting on October 1, 2010, at $68 and a balloon payment due in 2015. The note was secured by a pledge agreement on a portion of the URJ's investments. The note was paid in full in January 2015.	-	2,125

(In Thousands)

NOTE 7. NOTES AND MORTGAGE PAYABLE (CONTINUED)

	2015	2014
Signature Bank		
Term note with a bank dated August 8, 2011, in the original amount of $7,000, as modified to $6,250 on January 4, 2013. The note has a fixed interest rate of 3.875% with monthly principal and interest payments starting February 1, 2013, at $52. The note matures on January 2, 2023. The note is secured by a pledge agreement on a portion of the URJ's investments and it requires the URJ to meet certain covenants, the most restrictive of which requires the URJ to maintain a minimum debt service ratio.	$ 4,427	$ 5,052
AYM Hillandale LLC – Greene Family Camp		
Promissory note dated December 9, 2011, in the original amount of $595. The note has a fixed interest rate of 5.00% with quarterly principal and interest payments starting on April 1, 2012, at $10. The note matures on January 1, 2037.	545	560
Avi Chai Foundation Loan - Newman Camp		
Term interest-free loan with a foundation dated February 28, 2013, in the original amount of $1,000. Principal payments of $50 are due in quarterly installments commencing October 1, 2013, and continuing through 2018. The loan is secured by a letter of credit.	500	750
Avi Chai Foundation Loan – Crane Lake Dining Hall		
Term interest-free loan with a foundation dated November 1, 2013, in the original amount of $994. Principal payments of $50 are due quarterly commencing April 1, 2014, and continuing through January 1, 2019. The loan is secured by a letter of credit.	646	845

(In Thousands)

NOTE 7. NOTES AND MORTGAGE PAYABLE (CONTINUED)

	2015	2014
Capital Bank of New Jersey - North American Camp Loan		
Interest-bearing term note with bank dated February 11, 2013, in the total amount of $6,000, with an initial drawdown of $500 at closing. Further drawdowns are at the option of the URJ. A drawdown of $2,000 was taken in January 2015 to repay the balloon payment on the $5,000 Signature Bank loan. The outstanding principal balance bears interest at prime minus fifty basis points (0.5%), subject to a floor of 2.75% and a ceiling of 4.95% for the first 60 months, 5.95% from the 61st month until the 84th month, and no ceiling applies after the 84th month through the maturity date of March 1, 2023 (interest rate at December 31, 2015 and 2014, was 2.75%). Outstanding principal balance is payable in monthly installments in accordance with the agreement. The note is secured by a pledge agreement on a portion of the URJ's investments.	$ 2,130	$ 392
Total notes and mortgage payable	$ 9,840	$ 11,752

Minimum annual future payments under the loan agreements for years subsequent to December 31, 2015, are as follows:

Year ending December 31:	
2016	$ 1,538
2017	1,449
2018	1,428
2019	1,066
2020	1,022
Thereafter	3,337
	$ 9,840

At December 31, 2015, the URJ had an unused unsecured line of credit totaling $3,000 that could be drawn as needed, with interest incurred at the lower of the prime rate (no less than 3.50%) or 1.50% plus 1-, 2- or 3-month LIBOR (no less than 2.75%). The agreement, as extended, expires on August 22, 2016. The line is available for the URJ as authorized by the board of trustees.

At December 31, 2015, the URJ had standby letters of credit totaling approximately $1,481, which expire through 2019. The letters of credit are used as security for loans given by unrelated organizations for the renovation of several camp sites.

(In Thousands)

NOTE 8. NET ASSETS

Unrestricted net assets at each year end were composed of the following:

	December 31, 2015	December 31, 2014
Property and equipment	$ 71,210	$ 68,560
Board-restricted funds	35,071	37,245
Operations and other	1,121	3,353
	$ 107,402	$ 109,158

At each year end, net assets (including allocations of investment gains and losses) were temporarily restricted as follows:

	December 31, 2015	December 31, 2014
Building and improvements, principally camp-related	$ 16,424	$ 12,434
Direct membership support and programs	2,321	2,881
Camp and youth scholarships and programs	8,205	7,725
Camp and youth programs	4,526	4,628
Religious Action Center/social action/Israel support/disaster relief	17,151	17,215
Books and music/other mission-related programs	3,918	4,562
	$ 52,545	$ 49,445

During the years ended December 31, 2015 and 2014, net assets were released from temporary restrictions for the following purposes:

	Year Ended December 31, 2015	Year Ended December 31, 2014
Building and improvements, principally camp-related	$ 6,795	$ 5,410
Direct membership support and programs	841	700
Camp and youth scholarships and programs	1,103	577
Camp and youth programs	2,026	2,278
Religious Action Center/social action/Israel support/disaster relief	1,670	2,373
Books and music/other mission-related programs	274	266
	$ 12,709	$ 11,604

(In Thousands)

NOTE 8. NET ASSETS (CONTINUED)

At the end of each year, permanently restricted net assets were restricted to support the following:

	December 31, 2015	December 31, 2014
Camp scholarships and programs	$ 3,705	$ 3,695
Direct membership and support programs	3,514	3,514
Operating support	2,023	2,023
Books and music/other mission-related programs	1,961	1,961
	$ 11,203	$ 11,193

During the year ended December 31, 2014, and pursuant to the donor's request, $443 was released from permanently restricted net assets, and placed in a temporarily restricted fund for camp and youth scholarships. During the year ended December 31, 2015, no funds were released from permanently restricted net assets.

NOTE 9. ACCOUNTING AND REPORTING FOR ENDOWMENTS

The endowments

The URJ's endowment was established based on its mission and consists of both donor-restricted endowment funds and funds designated by the board of trustees to function as an endowment. Net assets associated with endowment funds are classified and reported based on U.S. GAAP. Board-designated funds are classified as unrestricted net assets, and funds with donor-imposed restrictions are classified as temporarily or permanently restricted net assets, with net gains reported as temporarily restricted pending appropriation by the board of trustees.

Interpretation of relevant law

UPMIFA is applicable to all of the URJ's institutional funds, including its donor-restricted and board-designated endowment funds. The board of trustees will continue to adhere to UPMIFA's requirements.

Endowment net asset composition by type of fund at each year end:

	December 31, 2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated funds	$ 35,071	$ -	$ -	$ 35,071
Donor-restricted funds	-	18,835	11,203	30,038
Total endowment funds	$ 35,071	$ 18,835	$ 11,203	$ 65,109

(In Thousands)

NOTE 9. ACCOUNTING AND REPORTING FOR ENDOWMENTS (CONTINUED)

Endowment net asset composition by type of fund at each year end (continued):

	December 31, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated funds	$ 37,245	$ -	$ -	$ 37,245
Donor-restricted funds	-	19,333	11,193	30,526
Total endowment funds	$ 37,245	$ 19,333	$ 11,193	$ 67,771

Changes in endowment net assets for the years ended December 31, 2015 and 2014:

	December 31, 2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, December 31, 2014	$ 37,245	$ 19,333	$ 11,193	$ 67,771
Contributions	53	800	10	863
Investment return:				
Interest and dividends	620	576	-	1,196
Realized/unrealized depreciation	(2,546)	(1,023)	-	(3,569)
Total investment return	(1,926)	(447)	-	(2,373)
Appropriated for expenditures/donor releases/foreign exchange loss	(301)	(851)	-	(1,152)
Net assets, December 31, 2015	$ 35,071	$ 18,835	$ 11,203	$ 65,109

	December 31, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, December 31, 2013	$ 36,804	$ 18,088	$ 11,632	$ 66,524
Contributions	382	1,283	4	1,669
Investment return:				
Interest and dividends	833	711	-	1,544
Realized/unrealized appreciation	531	1,059	-	1,590
Total investment return	1,364	1,770	-	3,134
Appropriated for expenditures/donor releases/foreign exchange loss	(1,305)	(1,808)	(443)	(3,556)
Net assets, December 31, 2014	$ 37,245	$ 19,333	$ 11,193	$ 67,771

NOTE 9. ACCOUNTING AND REPORTING FOR ENDOWMENTS (CONTINUED)

Funds with deficiencies

From time to time, the fair value of assets associated with permanently restricted funds may decline below the historical dollar value of the donor's original permanently restricted contribution. Under the terms of UPMIFA, the URJ has no responsibility to restore such decreases in value, should any exist.

Return objectives and risk parameters

The URJ has an Investment Policy Statement ("IPS") for all funds in the investment pool, including endowment funds. The overall objective for endowment assets is to provide the operations of the URJ with a relatively stable stream of spendable revenue that grows over time and at a minimum keeps pace with inflation. If this is to be achieved over the long term, the inflation-adjusted value of the endowment assets must be preserved, net of annual distribution to programs. IPS compliance is monitored closely by the URJ's investment committee and reflects:

- Asset diversification to provide reasonable assurance that no single security or class of security will have disproportionate impact on the total endowment assets.
- Assessment at least annually by the investment committee of the appropriateness of the IPS, with recommended changes, if any, to be approved by the board of trustees.

Strategies employed for achieving objectives

To satisfy its long-term rate-of-return objectives, the URJ 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 portfolio will be invested with care, skill, prudence and diligence in accordance with fiduciary laws and regulations. Donations of securities are liquidated as quickly as practical, and the proceeds are invested in accordance with the IPS.

The long-term investment objective for the endowment assets is to attain a total return (net of investment management fees) that exceeds the average annual spending rate, as determined each period by the board of trustees as part of the URJ's budget process.

Spending policy and how the investment objectives relate to the spending policy

The Budget Committee, in consultation with the Investment Committee, recommends to the board of trustees for its consideration each year a spending rate that balances the need for endowment support, as specified by the board or donors, and the long-term expected investment return on the endowment. For the years ended December 31, 2015 and 2014, the spending rate was 4%, resulting in investment return designated for current operations of $2,110 and $1,385, respectively.

Commencing in 2016, spend rate considerations and recommendations will be the responsibility of the newly formed Endowments and Trusts Committee.

(In Thousands)

NOTE 10. PROGRAM INCOME AND PROGRAM EXPENSES

Program income earned during the years ended December 31, 2015 and 2014, was as follows:

	Year Ended December 31, 2015	Year Ended December 31, 2014
Camps and Israel programs	$ 49,560	$ 49,884
North American Biennial	2,790	28
Congregational Networks	118	123
Outreach and Education	228	198
Youth Engagement	4,911	3,135
Religious Action Center/Social Action/Disaster Relief/World Judaism	979	974
Press/RJ Magazine	197	918
ARZA	342	794
Other general programs of the URJ	110	148
	$ 59,235	$ 56,202

Program expenses for the years ended December 31, 2015 and 2014, were as follows:

	Year Ended December 31, 2015	Year Ended December 31, 2014
Camps and Israel programs	$ 49,075	$ 50,091
North American Biennial	2,706	-
Congregational Networks	4,523	4,265
Outreach and Education	1,791	2,591
Youth Engagement	9,119	6,792
Religious Action Center/Social Action/Disaster Relief/World Judaism	4,861	3,787
Press/RJ Magazine	285	1,652
ARZA	1,508	1,707
Other general programs of the URJ	3,072	1,593
	$ 76,940	$ 72,478

NOTE 11. RETIREMENT PLANS

Defined-benefit retirement plan

The URJ has a contributory, defined-benefit retirement plan (the "Plan") covering certain of its employees and employees of several affiliates. Plan assets are held in investment accounts operated in trust by various financial institutions. Effective June 30, 2009, the Plan's sponsor has frozen participation and benefit accruals.

(In Thousands)

NOTE 11. RETIREMENT PLANS (CONTINUED)

Defined-benefit retirement plan (continued)

The following table sets forth the Plan's funded status and the amounts recognized in the URJ's consolidated financial statements at December 31, 2015 and 2014:

	2015	2014
Actuarial present value of benefit obligations:		
Accumulated benefit obligation	$ (17,507)	$ (17,778)
Projected benefit obligation	$ (17,507)	$ (17,778)
Fair value of Plan assets	17,172	18,706
Funded status	$ (335)	$ 928
Prepaid pension costs (accrued pension liability) in the consolidated statements of financial position	$ (335)	$ 928

Amounts recognized in changes in unrestricted net assets for the years ended December 31, 2015 and 2014:

	December 31, 2015	December 31, 2014
Net gains	$ 1,817	$ 71
Prior service costs	(3,581)	(985)
	$ (1,764)	$ (914)

Components of net periodic benefits cost (income):

	2015	2014
Interest cost	$ 863	$ 941
Expected return on Plan assets	(1,364)	(1,356)
Net periodic benefit income	$ (501)	$ (415)
Benefits paid	$ 1,081	$ 1,314

As of December 31, 2015 and 2014, the net loss not yet recognized as a component of net periodic pension cost was $2,756 and $992, respectively.

Weighted average assumptions:

Discount rate	5.00%
Expected return on Plan assets	7.50%
Rate of compensation increase	N/A

(In Thousands)

NOTE 11. RETIREMENT PLANS (CONTINUED)

Defined-benefit retirement plan (continued)

Investments of Plan assets will be made for the purpose of providing retirement reserves for the present and future benefit of participants of the Plan. The assets must be invested with the care, skill and diligence a prudent person acting in this capacity would exercise to comply with all objectives outlined herein, the Investment Advisers Act of 1940, and all other governing statutes.

The URJ's investment objective is to provide a balance among capital appreciation, preservation of capital, and current income, and to achieve an average annual return on all pension assets sufficient enough to meet its long-term pension obligations. High levels of risk are to be avoided; however, the trustees of the Plan recognize that some risk is warranted to allow the investment manager the opportunity to achieve the satisfactory long-term results consistent with the objectives of the Plan.

The trustees of the Plan have discretion as to the asset allocation decisions of the total Plan assets. The URJ requests adherence to the following asset-allocation range:

	Minimum Percentage	Maximum Percentage
Domestic large-cap equities	24%	28%
Domestic mid-cap equities	9%	13%
Domestic small-cap equities	2%	5%
International equity	22%	28%
Fixed income	32%	38%

At the end of each year, the fair value of total Plan assets held was as follows:

	December 31, 2015	December 31, 2014
Cash and cash equivalents	$ 22	$ 32
Certificates of deposit	200	200
Mutual funds:		
Bond funds	8,813	9,907
Equity funds	7,957	8,444
Group annuity contract	180	123
	$ 17,172	$ 18,706

Substantially all of the Plan asset investments were classified within Level 1 of the fair value hierarchy at December 31, 2015 and 2014.

(In Thousands)

NOTE 11. RETIREMENT PLANS (CONTINUED)

Defined-benefit retirement plan (continued)

No contributions were required to be made by the URJ to the Plan for the years ended December 31, 2015 and 2014.

The following table illustrates the estimated future benefit payments expected to be paid to Plan participants:

Year Ending December 31,	Expected Benefit Distributions
2016	$ 1,321
2017	1,056
2018	1,231
2019	1,278
2020	1,170
2021-2025	4,911
	$ 10,967

There was no pension expense for the years ended December 31, 2015 and 2014.

Multi-employer retirement plan

The URJ participates in a multi-employer retirement plan ("Multi-employer Plan") sponsored by the Reform Pension Board. Those member rabbis, cantors, and senior staff (consisting of department heads, program directors and several executives) who are not covered under the defined-benefit retirement plan are covered instead under the Multi-employer Plan. Total expense for such plan for the years ended December 31, 2015 and 2014, was approximately $1,211 and $1,122, respectively.

Defined-contribution plan

The URJ has a defined-contribution retirement plan ("403(b) Plan") under Section 403(b) of the Internal Revenue Code which permits employees to make voluntary contributions to the 403(b) Plan each pay period, for which the URJ may make a matching contribution of up to 3% of base salary for each eligible participant. Total 403(b) Plan expense for the years ended December 31, 2015 and 2014, was approximately $180 and $183, respectively.

NOTE 12. CREDIT RISK

Financial instruments that potentially subject the URJ to concentrations of credit risk consist principally of cash and cash equivalents and investment accounts that are deposited in financial institutions in amounts which, from time to time, may exceed federal insurance limits. However, management believes that the URJ does not face a significant risk of loss on these accounts.

(In Thousands)

NOTE 13. RELATED-PARTY TRANSACTIONS

The URJ provides various support services, including, but not limited to, providing payroll and fringe benefits, for several unconsolidated, affiliated organizations. These services are billed to the respective affiliated organization and amounted to $1,097 and $2,102 for the years ended December 31, 2015 and 2014, respectively.

At the end of each year, affiliate receivables consisted of the following and are included in "Accounts and loans receivable, net" in the accompanying consolidated statements of financial position:

	December 31, 2015	December 31, 2014
Women of Reform Judaism, the Federation of Temple Sisterhoods	$ 325	$ 68
Association of Reform Jewish Educators	44	61
	$ 369	$ 129

NOTE 14. COMMITMENTS AND CONTINGENCIES

Lease agreements

The URJ has entered into operating leases for the use of office facilities and certain office equipment that expire through 2024. Certain of the leases are subject to escalations for increases in real estate taxes and other operating expenses. Minimum annual future rental commitments under the lease agreements, excluding escalation costs, are as follows:

Year Ending December 31,	
2016	$ 610
2017	449
2018	414
2019	386
2020	268
Thereafter	781
	$ 2,908

Certain operating leases provide for renewal options for additional years at their fair rental value at the time of the renewal. In the normal course of business, operating leases are generally renewed or replaced by other leases.

Rent expense amounted to $732 and $495 for the years ended December 31, 2015 and 2014, respectively.

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Facility use commitment

The URJ has entered into an agreement for the use of college space for a summer camp in California. The URJ is committed to pay a minimum of approximately $490 for the use of the space in 2016, regardless of the number of enrollments.

Convention agreements

The URJ has entered into multiple agreements for the use of hotel and conference space for the North American Biennial and the NFTY Convention. The agreements stipulate that in the event of a cancellation the URJ would be subject to certain cancellation fees, which would be substantially covered by insurance.

Reserve for environmental remediation

As of December 31, 2015 and 2014, the URJ accrued $70 and $150, respectively, which are included in "Accounts payable, accrued expenses and other liabilities" on the accompanying consolidated statements of financial position. The accrued amounts represent the estimate of the remaining cleanup liabilities for the Camp Newman pond contamination.

Construction in progress

During the year ended December 31, 2015, the URJ entered into contracts with architects, general contractors and related consultants for renovations and improvements to various camp facilities. Remaining commitments under the various contracts were approximately $8,484 as of December 31, 2015.

Legal matters

The URJ is subject to legal action in the routine course of conducting business. In management's opinion, however, there is no current legal action the outcome of which would have a material adverse impact on the URJ's financial position.

NOTE 15. SUBSEQUENT EVENTS

During 2016, the URJ completed a merger with Jewish Chautauqua Society ("JCS"), a nonprofit Pennsylvania corporation which fosters interfaith education initiatives, and is an affiliate of the Men of Reform Judaism ("MRJ"). The URJ acquired all of the assets and assumed all of the liabilities, rights, privileges, powers and duties of JCS and the URJ became the surviving organization. The terms and conditions of the merger were approved as required by Orphans Court in the Commonwealth of Pennsylvania. No approval was required under the laws of Ohio.

In February, 2016, the URJ obtained two loans from a foundation in the amounts of $1,000 and $230 to fund major capital improvements at two of the camps.