

December 19, 2006

To: The Board of Trustees of the Unitarian Universalist Association

From: Terry Sweetser, Vice President of Stewardship and Development

Subject: Quarterly Staff Group Report

Fundraising results in all areas are running ahead of last year's comparable period and give us a degree of confidence that we can meet this year's combined budgeted total of \$8,742,684 for unrestricted income. Specific fundraising status reports are attached showing that unrestricted gift and bequest income has exceeded its goal for the year. In addition, both the Annual Program Fund and Friends of the UUA are ahead of last year's pace.

Restricted gift income is ramping up. Cash gifts for "Now is the Time!" – the comprehensive campaign approved by the Board at its October 2006 meeting – total \$7.2 million, including \$3.6 million for the UUA-UUSC Gulf Coast Relief Fund, and a phenomenal six figure gift from donors who wish to remain anonymous.

Our staff group, as you might expect, has been particularly busy this fall and will continue this pace through December as we help generous UUs make contributions before the New Year. I am extremely proud of the members of my staff group; they are professionals, dedicated to helping donors make their dreams come true in the Association we love.

Customarily, several members of our staff group are on duty to facilitate that process before the end of December, and this year is no exception. The office will be open to assist donors with year-end giving every day during the week of December 26 through 29, from 10 a.m. - 3 p.m.

THE ANNUAL PROGRAM FUND

APF continues its upward trend, with contributions as of 12/12/06 exceeding \$2.4 million, a 4.6% increase from last year's comparable period and over 35% of this year's \$6.7 million goal. The attached chart illustrates giving trends through November 30. Our records show that the months of January – March have historically been the best for APF, which reinforces our projections for meeting the goal.

A regular schedule of statements to the congregations and progress reports to the APF Committee and UUA staff has been established which helps keep the flow of information (and contributions) systematically up to date. We have also expanded our efforts to better educate our constituencies about the importance of funding our faith through the APF, by developing new promotional resources for congregational and district leaders, including pamphlets, flyers, and inserts for orders of service. This January, in partnership with other staff groups, we will also launch a new quarterly newsletter which will feature success stories to promote a culture of generosity.

The newsletter is a mechanism to move us toward another of our goals for this year- to build and strengthen relationships with congregations and districts through direct communication and personal contact, site visits, and by our presence at major gatherings of lay leaders and religious professionals so that we may hear, understand, and respond to their needs, ideas, and concerns more effectively.

FRIENDS OF THE UUA

Our Friends of the UUA program has gotten off to a tremendous start this year, with income to date (12/12/06) totaling \$565,854, an increase of 70% over last year at this time and already 35 % of the goal of \$1.6 million.

Friends mailers and phonathons are not used for fundraising purposes alone, but also serve as tools to educate our donors and prospective donors about UUA programs and services, and about the important roles that each Friend plays in helping to keep our faith community vital and growing. This year's themes have included Moral Values, Social Justice, and Public Witness. Special December mailings are inviting donors to make new contributions and become "co-producers" of new marketing media in a DVD and web-based format which will be made freely available to congregations as an outreach and orientation tool designed especially for those new to our faith.

Thanks to careful cultivation and reinforcement, the Friends monthly Sustainer program continues to grow, ending the year with 617 active participants, generating nearly \$9,000 each month, with projected annual income of \$106,500 --a 12% increase from last year. Goals for the Friends program include stimulation of continuing growth both in the number of participants and the average contribution received.

The goal to acquire 4,400 new Friends this year is being accomplished through 400,000 appeal letters directed to both active UU members and to selected supporters of compatible organizations. We are making good progress toward that target, with 1,500 new donors so far this year. Overall our Friends base has increased to 23,800, up nearly 39% from 17,130 last December.

LEGACY GIFTS (formerly known as Charitable Gift & Estate Planning)

As recently as December 12, we received a six figure gift that carried unrestricted income from matured legacies over the top of its \$425,000 goal. The total received to date is \$596,100, which is 40% above the budgeted goal. This astonishing generosity came from eleven estates, including the following estates, among others:

- Peggy Harrison of Irving, Texas. Dr. Harrison was an active member of the First Unitarian Church of Dallas, Texas, which also received a bequest.
- Louise Prange resided in Fortuna, CA, and was a member of the Humboldt UU Fellowship, which benefited from her generosity.
- The Rev. Theodore Jones his life partner Nathalie formerly of Lexington, MA, and members of First Parish Church of Waltham, MA. (See the attached obit for details on their very interesting lives.)
- Marie Greenwald, of Baltimore, MD, who left similar bequests to both the UUA and to Catholic Charities.

Legacy gifts mature, of course, at their own pace; they are not spread evenly or predictably over the year. Unlike recent years, we have the tremendous good fortune to have exceeded the unrestricted bequest income goal, and so early in the year. We anticipate receiving additional income from a number of legacies. The enclosed Legacy Gifts Office report provides more detail.

In addition to receiving estate gifts, we have recorded 22 new legacy commitments totaling \$310,304, including 8 umbrella gifts totaling \$166,692 for the ultimate benefit of our congregations or other UU entities. (Note: Many of the charitable gift annuities and other deferred gifts are split to benefit other UU entities as well as the UUA directly.)

One among the 22 which I believe deserves particular notice and thanks: Ed and Betty Law, members of the President's Council, funded their third gift annuity this year; their \$112,000 donation is designated to the UUA's new comprehensive campaign. The Laws had already funded two gift annuities and made one contribution to the Pooled Income Fund. They were inspired to give more by the October President's Council meeting, and plan to fund their fourth gift annuity in the New Year. This will bring their total in planned gifts to well over half a million dollars!

With only two weeks left in the calendar year, the Legacy Gift staff is working with donors to complete several additional gifts in 2006, perhaps totaling more than another \$100,000.

“NOW IS THE TIME” COMPREHENSIVE CAMPAIGN AND MAJOR GIFTS

Even with all this good news, there's still more! One outstanding highlight of the fall was the annual meeting of the President's Council, which once again surpassed all expectations for the quality of the program and the engagement of all participants. Inspired by President Sinkford's presentation of his outline of the new comprehensive campaign- "The Time is Now!"- the Council's enthusiastic endorsement was the core of the entire weekend, which concluded with a rousing UU Revival Service.

The Revival also served as the culminating celebration for the Southern California marketing campaign that began over the summer. This marketing effort sprang from one of the regional President's Roundtables held over the past two years. Financing for the marketing campaign came from collaborative fundraising including a number of volunteers from participating congregations and several Stewardship and Development staff. This coordinated partnership in fund raising was directed by Associate Vice President, the Rev. Beth Graham.

Working with the President toward establishing the priorities of the comprehensive campaign has been a significant focus for our staff during the first half of the year. One new initiative held two summits for Lay Theological Education, coordinated by the Rev. Dr. Stephan Papa of our staff, and including both President Sinkford and Moderator Courter.

President Sinkford's presentation to the President's Council was like a "commencement" address- the "beginning of the end" of a two-year preparation phase which included many in-depth consultations and focus groups with multiple constituencies throughout the Unitarian Universalist movement, testing the results of a UU-wide survey conducted on line in 2004. This gathering and listening phase of the new campaign has continued this year in a collective process of assessing both the needs and the commitments of our Association and will culminate with the formal announcement of Association's new five-year comprehensive campaign: "The Time is Now!" at the Portland General Assembly next June.

Preparing the way for a significant element of this campaign, Rev. Papa has been criss-crossing the continent to consult with ministers of major congregations and enlist their cooperation with the UUA to establish new Association Sundays which will highlight opportunities for individuals to contribute toward the themes of growth in numbers, in diversity, in spirit, in leadership, and in witness. So far Stephan has obtained the commitment of 50 of his most respected colleagues to participate next October. The success reflects the spirit, the work, and the dedication of the ministers to our faith that not one has said, "No." We are making plans for this Spring, when at least 5 congregations will be collaborating with Stephan in a pilot program to develop supporting focus materials for the larger Association Sunday efforts.

As for the major gifts component of the campaign, since July 1 of this year we have already received \$1,397,500 in gifts restricted to the "Now is the Time!" campaign.

One gift came with a wonderful story:

Years ago the UUA received a very generous gift for "Handing on the Future" [a previous capital campaign]. The anonymous donors gave mineral rights for land in Texas known for its rich oil/gas deposits. After a few years, the oil market "went South", and the UUA wrote off the remaining balance due on the pledge. Comes the spring of 2006, and suddenly there is interest driving up the value of those same mineral rights. The UUA still owned the rights, and with expert advice, proceeded to sign lease agreements that have yielded over \$800,000. Another lease is in negotiation and may take the total value of this donation beyond the million dollar mark – more than the donors and the Association ever dreamed would flow from these rights. All of us at the Association, of course, are profoundly grateful for this fantastic contribution.

In addition, we have new cash commitments for several different projects. They are:

- San Francisco Bay Area Marketing Campaign -- \$140,000 raised to date toward the goal of \$260,000.
- The Richard Borden and Paul Holton Sermon Award -- \$40,000 for a modified award, open to UU students currently enrolled in theological schools.

In addition to new gift activity, we continue to receive payments on pledges made to previous campaigns. So far this year we have received \$36,700 from matured planned

gift commitments to Handing on the Future, and \$458,000 in receipts for cash pledges and matured legacies for the Campaign for Unitarian Universalism.

The continuing positive response to all our programs and campaigns reinforces our overall impression that Unitarian Universalists are showing tremendous generosity to the Association, our congregations, and other UU entities. It is an affirmation that the work of the Board of Trustees, the Administration, and the staff of this Association of Congregations is worthwhile and appreciated by our constituencies. It is also a blessing for our ongoing collaborating to make this a better world.

We are grateful, as always, for President Sinkford's attention and support of our efforts to create abundance in a culture of gratitude.

Unitarian Universalist Association of Congregations
 Stewardship and Development Staff Group
 Legacy Gifts Office
 December 21, 2006
 All figures rounded to the nearest dollar

Fiscal 2006-2007 Report

A. Unrestricted Gifts and Bequests Income (matured legacies)

Budgeted Goal:	\$ 425,000
Total Received to Date:	596,100
Amount Over/(Under) Goal:	\$ 171,100

Looking ahead: We are tracking six (6) estates with unrestricted gifts pending for the UUA, possibly totaling up to an additional \$200,000 in the current fiscal year. By the April 2007 meeting of the Board, we will have a much clearer picture of the receipts we may expect by June 30, 2007.

B. Restricted Gifts and Bequests Income (matured legacies)

Non Campaign Purposes	\$ 24,732
Campaign for UUism	8,779
Handing on the Future	36,745
<u>UU Congregations and other Entities</u>	48,571
Total received to date:	\$ 118,827

C. Summary of Legacy Gift Activity as of December 18, 2006

Number of New Legacy Gift Commitments	22
<u>Number of Matured Legacy Gifts Received</u>	17
Total	39
\$ New Gifts designated for UUA	\$ 31,049
\$ New Gifts designated for C2010 Now is the Time!	112,563
\$ Unrestricted Gift Income for the UUA from matured legacies	596,100
<u>\$ Restricted Gift Income for the UUA from matured legacies</u>	70,256
Sub Total	\$ 809,968
\$ New Gifts designated for Congregations and other Affiliates	\$ 166,692
<u>\$ Restricted Gift Income for UU Congregations and other Entities</u>	48,571
Sub Total	\$ 215,263

Combined Grand Total to Date: \$ 1,025,231

Prepared by M. Bailey-Adams

Unitarian Universalist Association State of the Fund

FY: 2007

APF

FY: 2007	Actual	Actual	Dif.	Goal	% Done
Date:	12/12/2006	12/12/2005			
APF	\$2,461,976	\$2,354,578	4.6%	\$6,717,684	36.6%

FY: 2006	Actual	Actual	Dif.	Goal	% Done
Date:	12/12/2005	12/11/2004			
APF	\$2,354,578	\$2,212,743	6.4%	\$6,493,307	36.3%

FRIENDS

FY: 2007	Actual	Actual	Dif.	Goal	% Done
Date:	12/12/2006	12/12/2005			
Standard Appeals	\$565,854	\$332,632	70.1%	\$1,600,000	35.4%

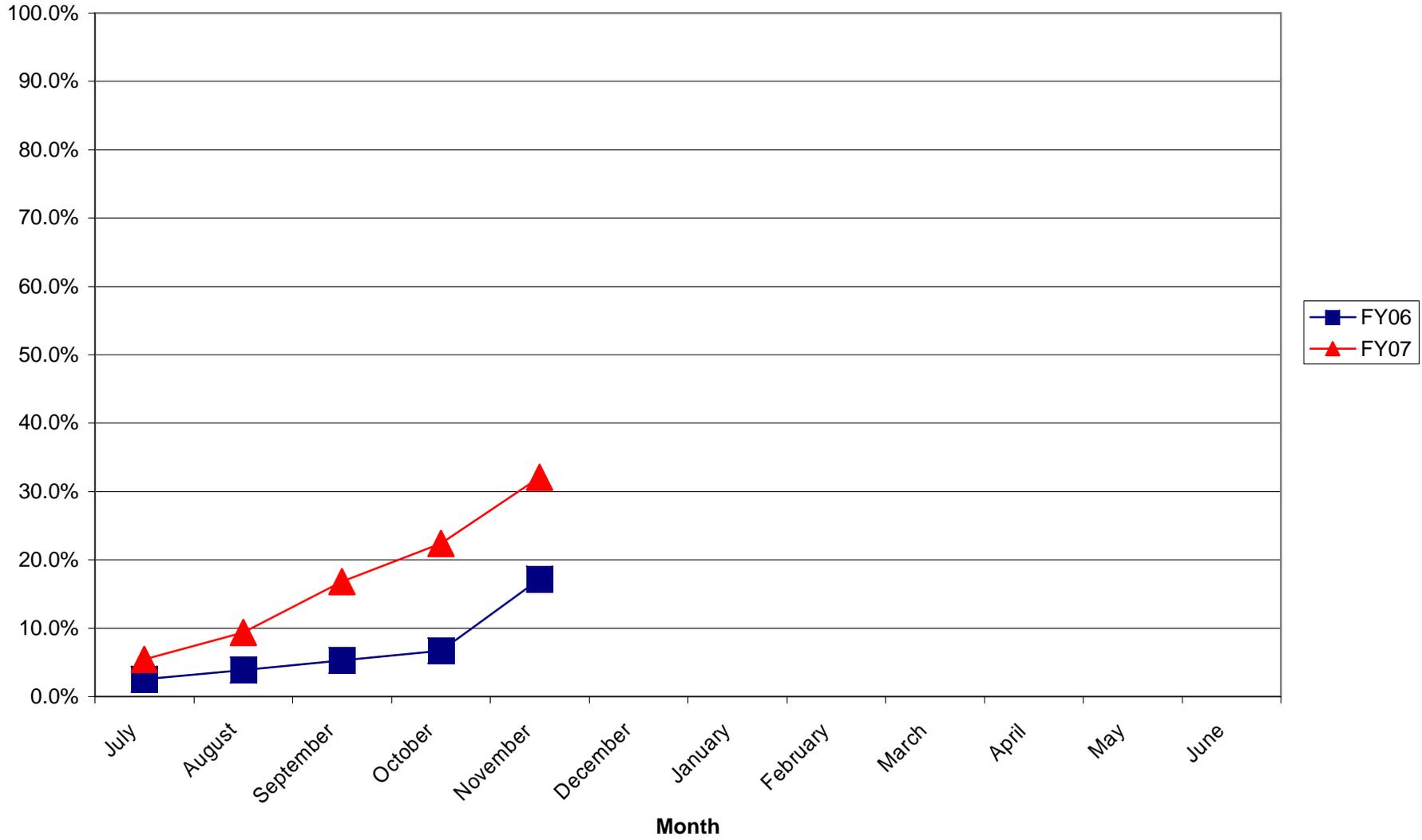
FY: 2006	Actual	Actual	Dif.	Goal	% Done
Date:	12/12/2005	12/11/2004			
Standard Appeals	\$332,632	\$238,822	39.3%	\$1,042,000	31.9%

Please note that the dates above reflect the latest batch date that gifts have been received by the bank lock box and processed by Friends or APF, not today's date.

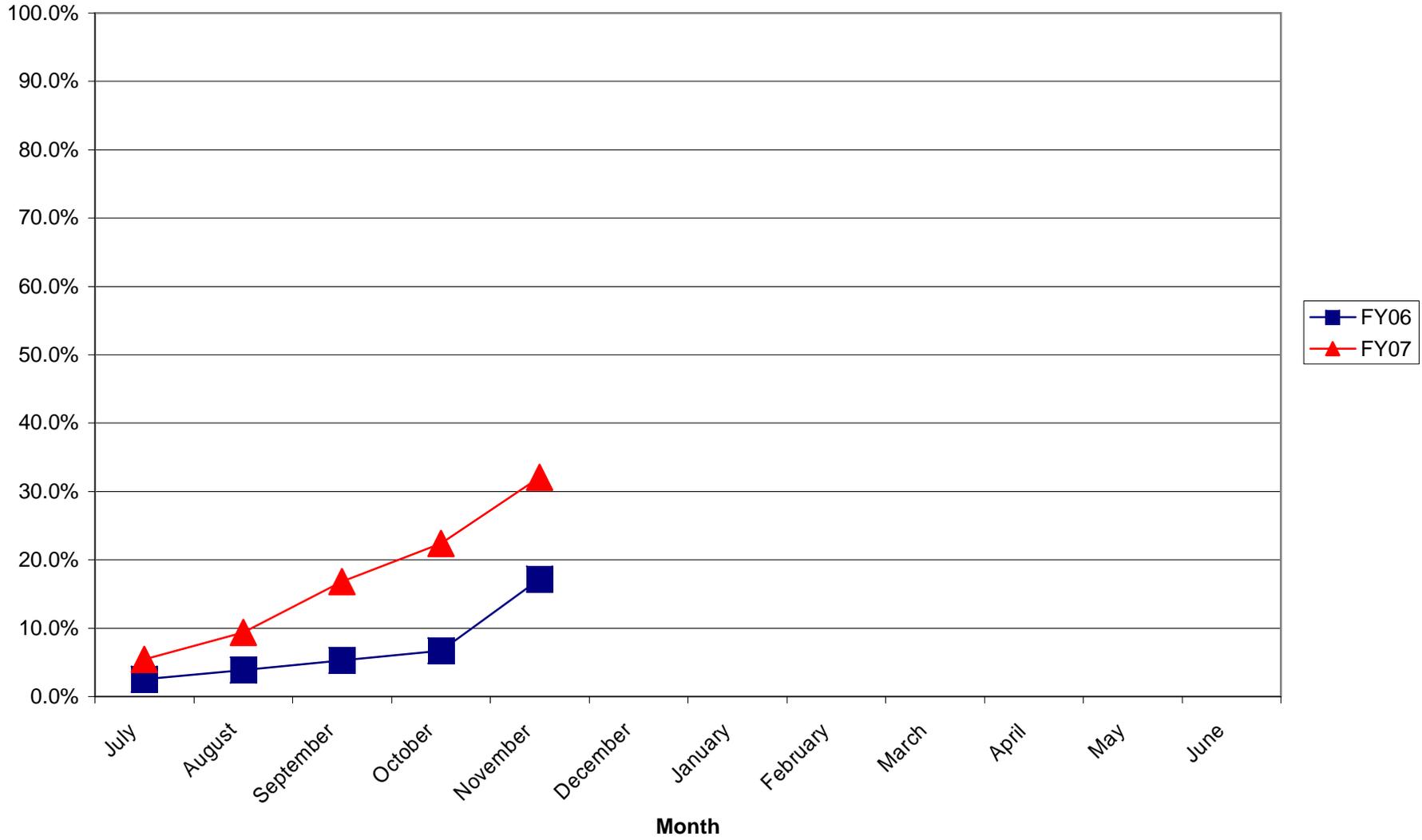
CC: Bill Sinkford, Kay Montgomery, Tim Brennan, Terry Sweetser, Beth Graham, Marcy Bailey-Adams, Dan King, Florence Einhorn, Cindy Salloway, Laurel Amabile, Barbara Brown

As of: December 12, 2006

**Friends % of Goal
as of 11/30/06**



**Friends % of Goal
as of 11/30/06**





CAMPAIGN FOR UNITARIAN UNIVERSALISM
Report on Results
June 30, 2006

Campaign for Unitarian Universalism

June 30, 2006 Results

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Campaign for Unitarian Universalism June 30, 2006 Report

Introductory Remarks

The generosity shown to this Campaign by Unitarian Universalists has provided tremendous financial resources for the Association, with almost \$3.8 million in contributions paying for projects, programs, and services offered by UUA. (See the chart on page 1 for more details.)

This report presents updated information about the pledged commitments, gift receipts, and use of the funds contributed to the \$35.4 million Campaign for Unitarian Universalism. Cash pledges total almost \$9 million and on June 30, 2006, the UUA had received about 94% of that. The cash pledge total increases as legacy gifts mature, and seven such matured legacy commitments (bequests and other deferred gifts) added \$120,000 to Campaign gift receipts during the fiscal year ending June 30, 2006.

The first four pages of the report summarize different aspects of the financial results of the whole Campaign. For example, page two shows how the contributions have been designated for permanent endowment and for spending as needed by the Association. The third page represents how much has been spent and how much remains to be spent in future years.

It is important to note that *the amount remaining does not equal the amount currently available to spend*; 38% of the funds received so far were designated for permanent endowment accounts from which funds are withdrawn at a rate of 5% each year.

Almost \$2 million has been received for the general purposes of the Campaign. This amount is reported on pages one and four, for information purposes; this \$2 million is reflected in the totals shown in the four main goals/purposes of the Campaign. Over \$12 million in legacy commitments have been designated for general use.

Pages five through nine provide details on select funds within the four main goals. The selections were made on three criteria: a) degree of interest for certain purposes, b) how much money was raised, and c) simplicity in visual presentation. We would be happy to provide details on any of the Campaign fund accounts upon request.

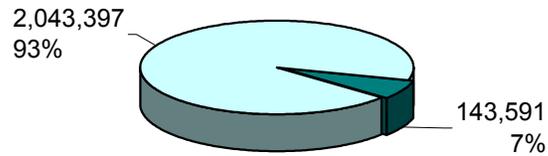
The last chart, page 10, is an updated version of the chart provided at the October 2006 meeting of the President's Council. The earlier version was based on projections from March 30, 2006 financial reports.

Campaign for Unitarian Universalism Summary of Results

Campaign Purposes	Goal	Non Cash Pledges	Cash Pledges	Total Pledges	Gifts Received	Percent of Total Pledges Received	Endowment	Spend Down	Total Spent	Amount Remaining
I. Gather Our Vision and Share It	8M	3,995,151	1,935,331	5,930,482	3,224,167	54%	573,224	2,650,943	2,207,225	1,016,942
II. Gather Our Young People and Nurture Them	6M	340,941	1,202,225	1,543,166	1,318,803	85%	203,156	1,115,647	711,125	607,678
III. Gather the Congregations and Increase Them	10M	4,695,508	1,296,895	5,992,403	1,732,583	29%	380,894	1,351,689	552,217	1,180,367
IV. Gather our Leaders and Inspire Them	5M	1,689,249	2,019,713	3,708,962	2,186,988	59%	2,043,397	143,591	285,073	1,901,915
Umbrella Gifts for the Benefit of UU Entities		2,973,848	105,000	3,078,848	69,000	2%	0	69,000	69,000	0
General Purposes*		12,736,384	2,403,495	15,139,879	1,982,370					
Grand Total	29M	26,431,082	8,962,659	35,393,740	8,531,541	24%	3,200,672	5,261,870	3,755,640	4,706,901

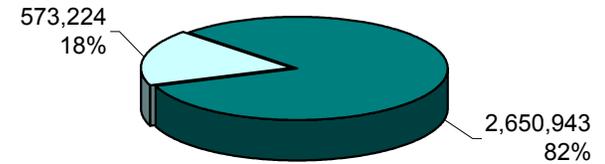
*These are pledges and receipts for general campaign use, with no further restrictions. Cash received for general purposes is not included in the grand total because it is already reflected in the four main goals/purposes of the campaign.

IV. Gather our Leaders and Inspire Them



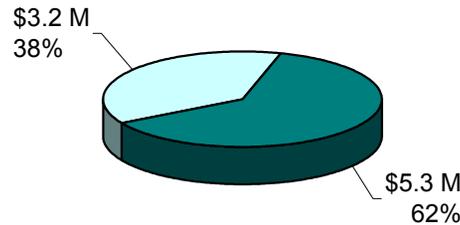
□ Endowment ■ Spend Down

I. Gather Our Vision and Share It



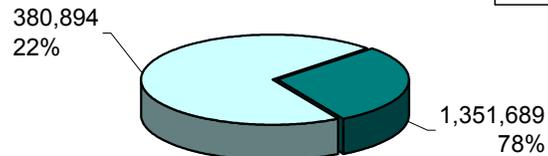
□ Endowment ■ Spend Down

Total Received
(net of administrative fees)
\$8.5 Million



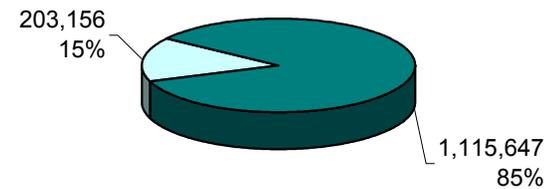
□ Endowment ■ Spend Down

III. Gather the Congregations and Increase Them

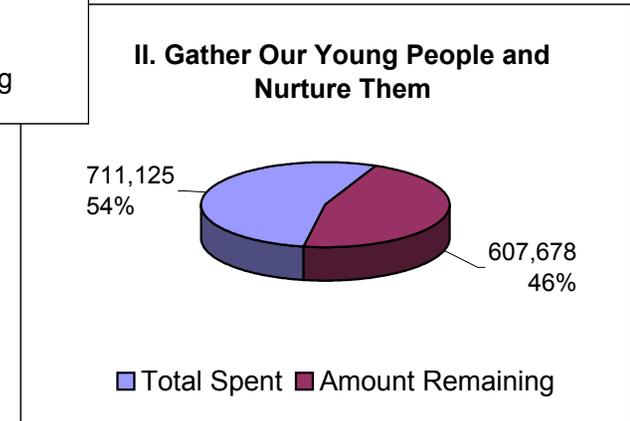
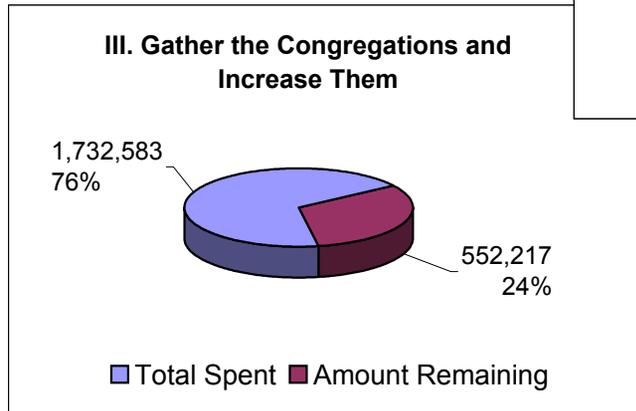
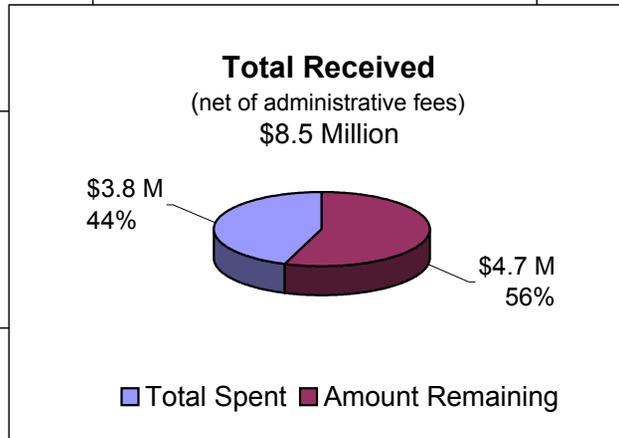
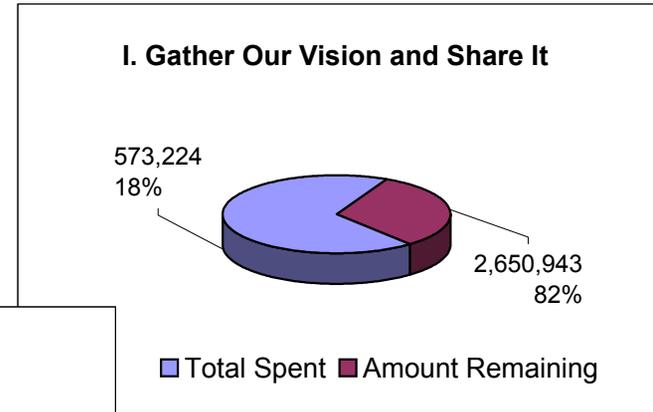
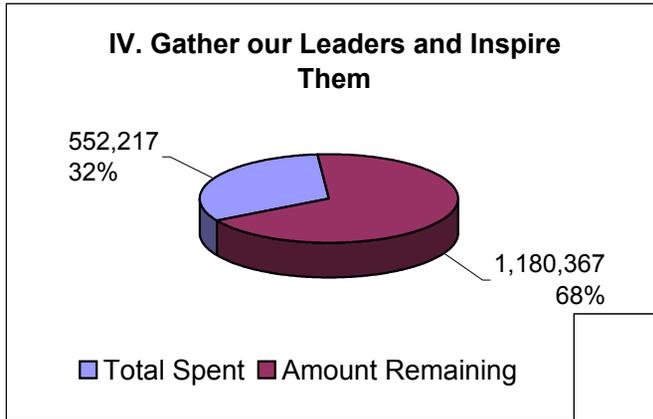


□ Endowment ■ Spend Down

II. Gather Our Young People and Nurture Them



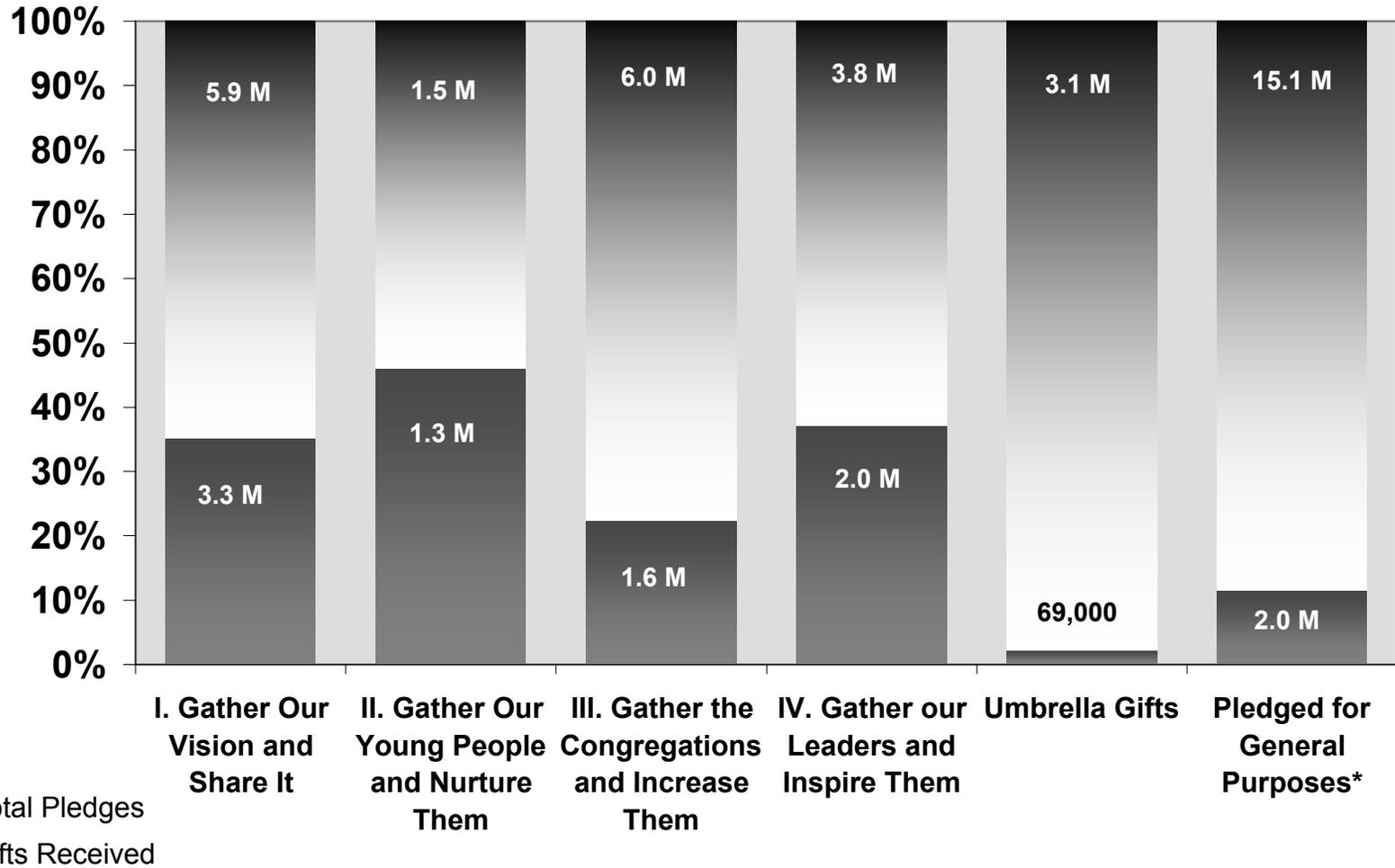
□ Endowment ■ Spend Down



CFUU Cash Received as % of All Pledges

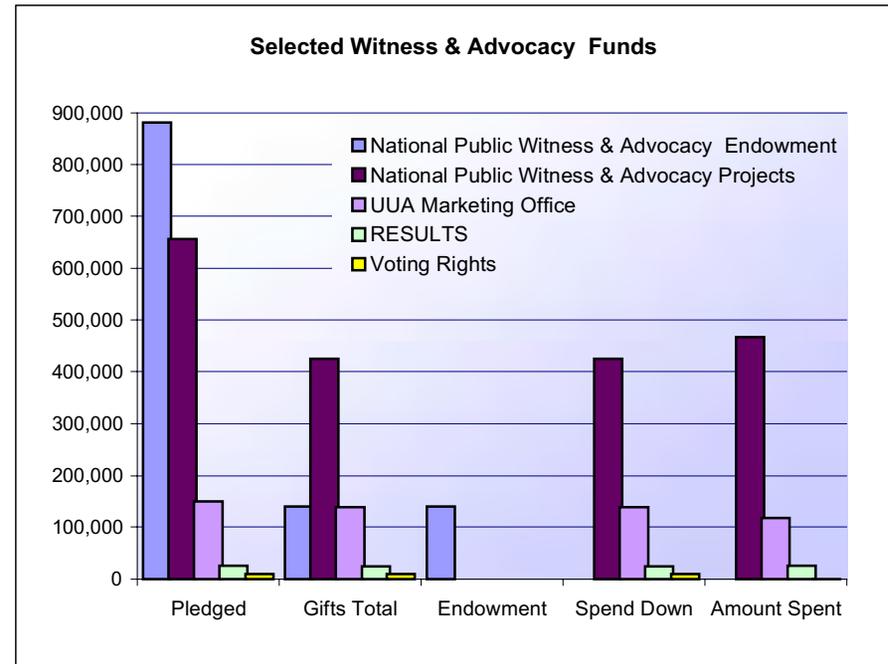
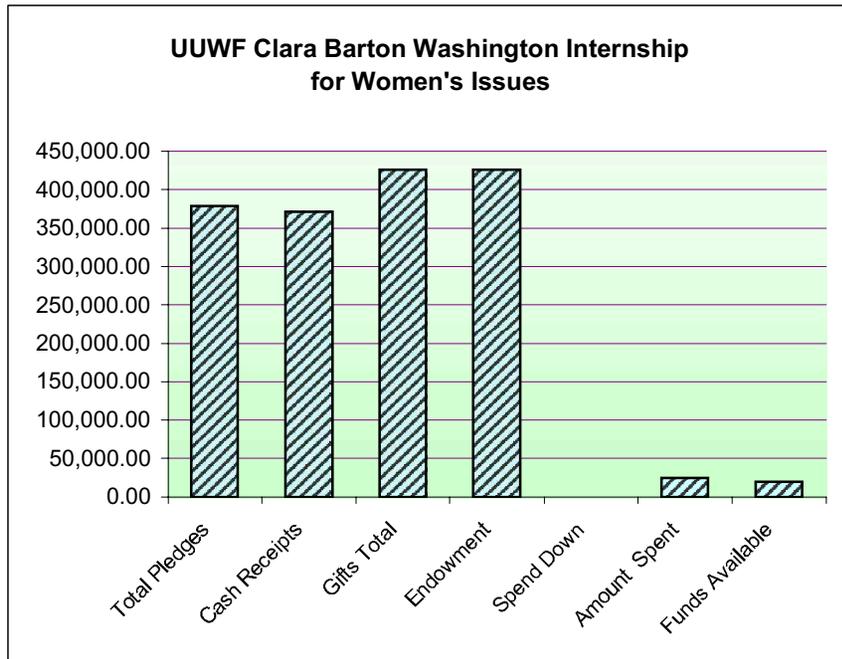
June 30, 2006

(most figures rounded up to nearest \$ million)



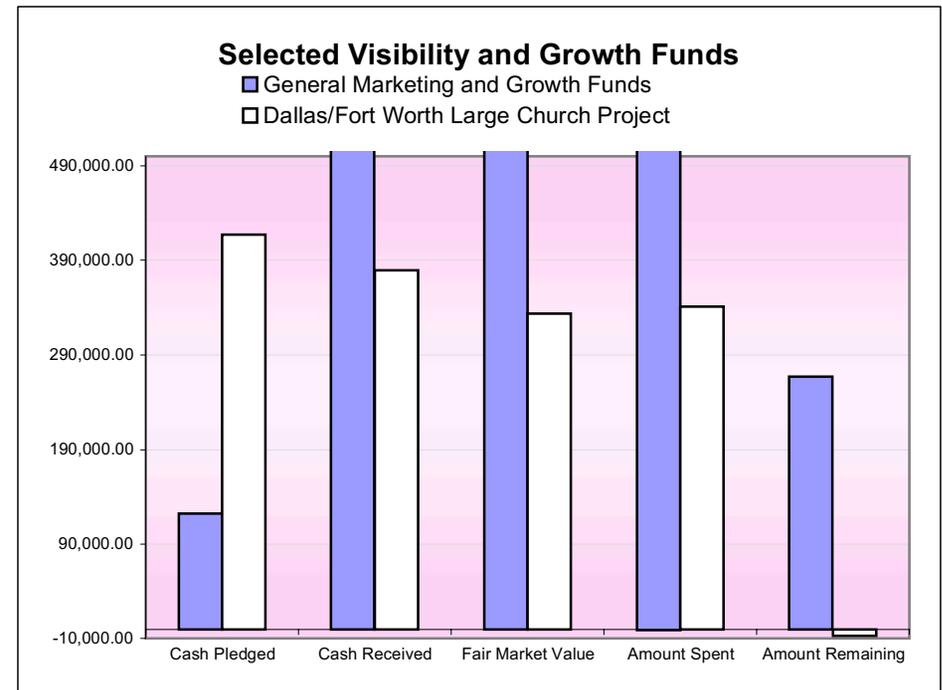
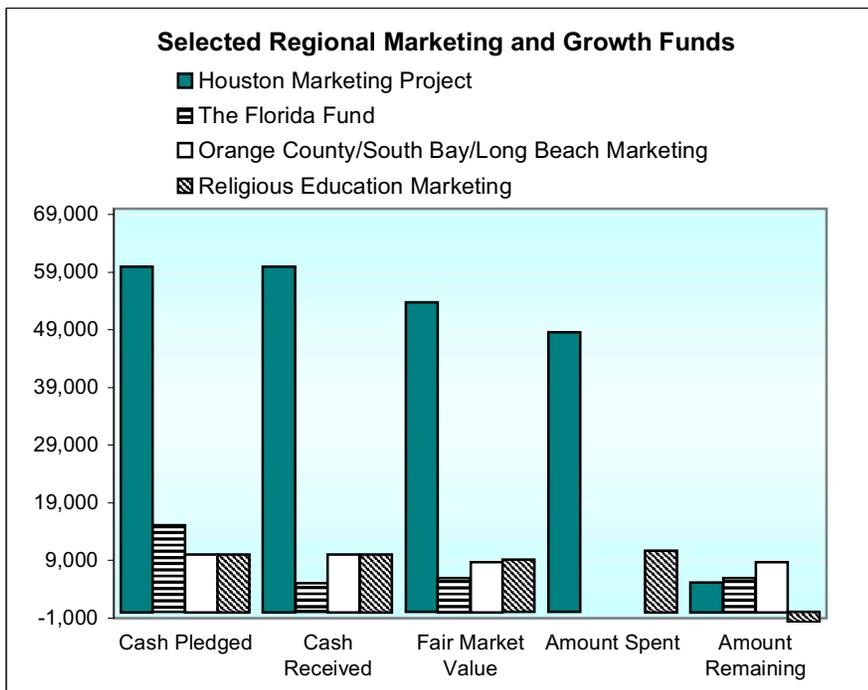
I. Gather Our Vision and Share It
Chart A

Selected Funds for National Public Witness and Advocacy	Pledged	Gifts Total	Endowment	Spend Down	Amount Spent	Funds Available
National Public Witness & Advocacy Endowment	881,342	140,396	140,396	0	0	7,020
UUWF Clara Barton Washington Internship for Women's Issues	378,572.38	426,525	426,525	0	25,048	20,074
National Public Witness & Advocacy Projects	655,677	425,275	0	425,275	467,793	
RESULTS	24,981	23,870	0	23,870	25,048	0
Science and Religion	9,934	9,900	0	9,900	325	9,575
Voting Rights	26,500	23,657	0	23,657	21,506	2,152
UUA Marketing Office	150,000	139,196	0	139,196	117,926	21,270



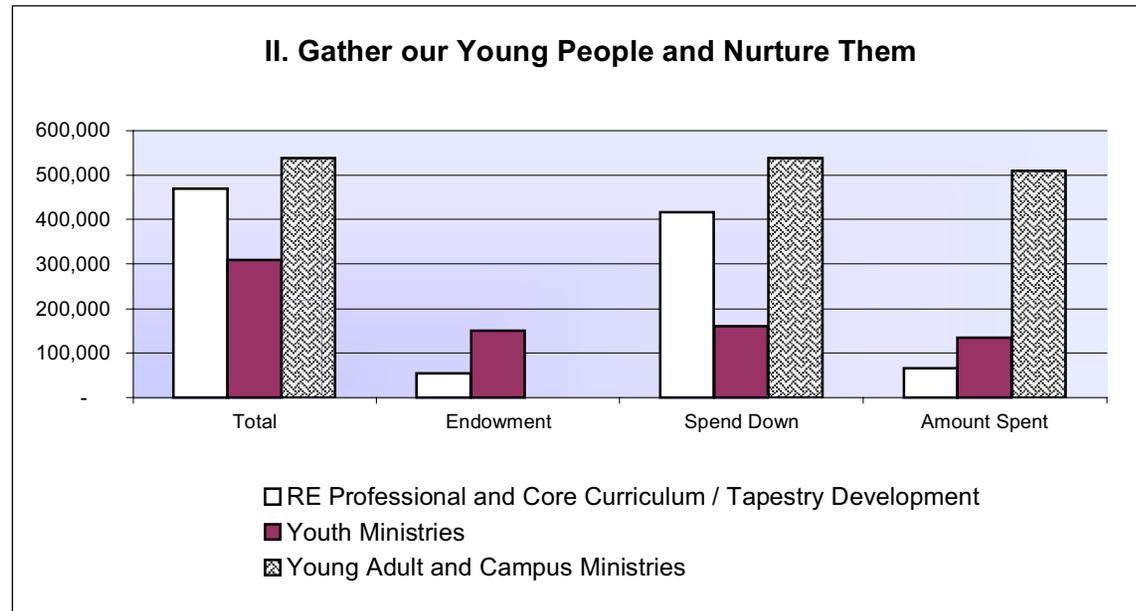
I. Gather Our Vision and Share It
Chart B

Funds Purposes	Number of Funds	Gifts Total	Endowment	Spend Down	Amount Spent	Percent in Endowment	Percent in Spend Down	Percent of Total Spent
Advocacy	11	1,196,454	570,233	626,220	661,322	48%	52%	55%
Publishing Our UU Values	2	263,139	2,991	260,148	65,000	1%	99%	25%
Visibility, Marketing, and Growth Proje	8	1,764,574	0	1,764,574	1,480,904	0%	100%	84%
Total	21	3,224,167	573,224	2,650,943	2,207,225	18%	82%	68%



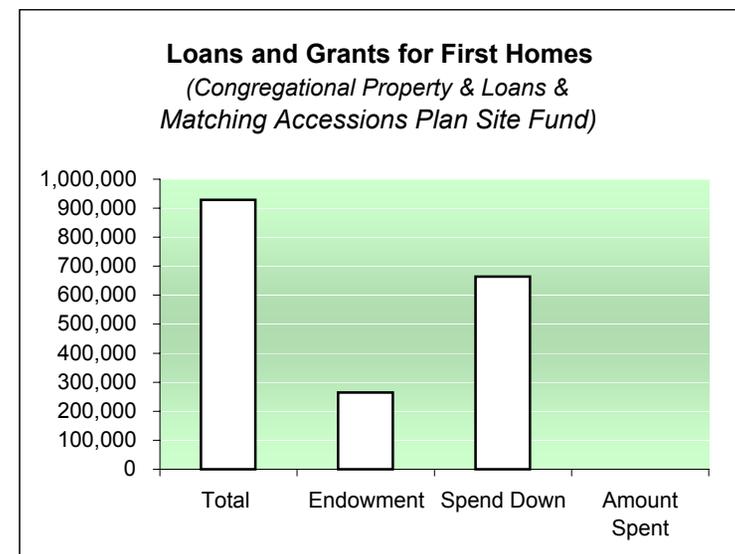
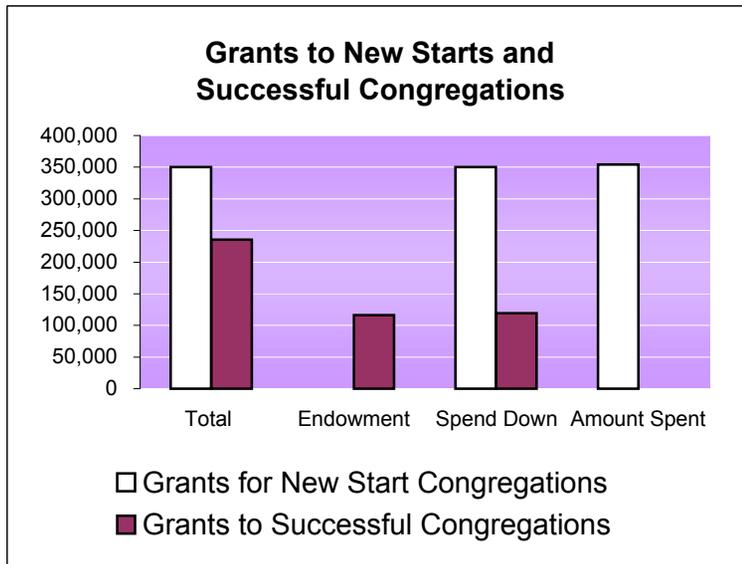
II. Gather Our Young People and Nurture Them

Funds and Purposes	Number of Funds	Total	Endowment	Spend Down	Amount Spent	Percent in Endowment	Percent in Spend Down	Amount Spent as Percent of Total
RE Professional and Core Curriculum / Tapestry Development	2	470,649	53,419	417,230	66,059	11%	89%	14%
Youth Ministries	2	309,997	149,737	160,260	135,452	48%	52%	44%
Young Adult and Campus Ministries	1	538,156	0	538,156	509,614	0%	100%	100%
Total	5	1,318,803	203,156	1,115,647	711,125	15%	85%	54%



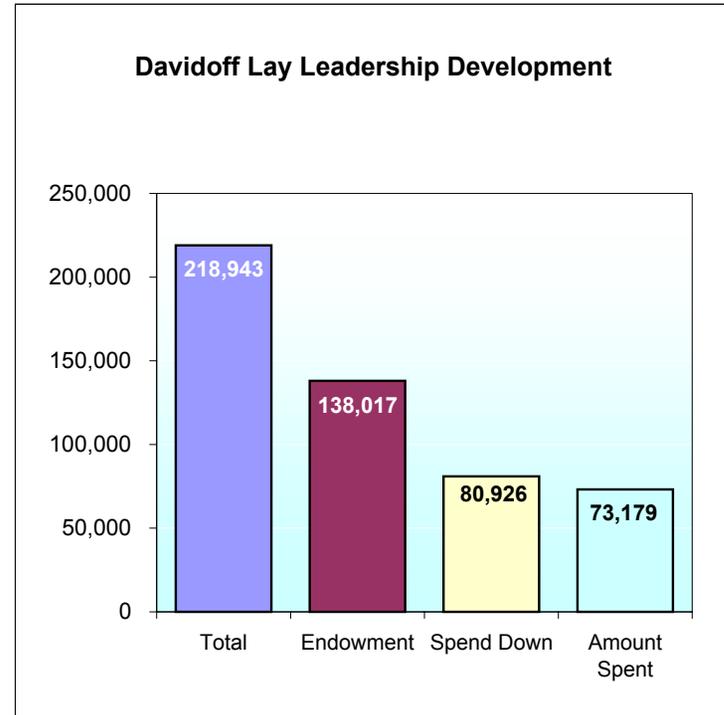
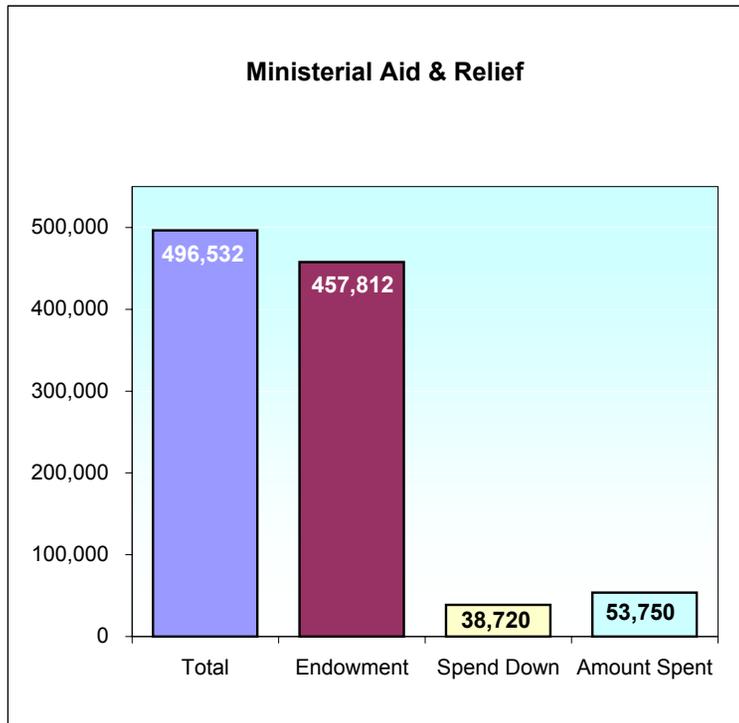
III. Gather the Congregations and Increase Them

Funds and Purposes	Number of Funds	Total	Endowment	Spend Down	Amount Spent	Percent in Endowment	Percent in Spend Down	Amount Spent as Percent of Total
Grants for New Start Congregations	2	350,381	0	350,381	354,198	0%	100%	100%
Grants to Successful Congregations	2	235,565	116,276	119,289	0	49%	51%	0%
Bordon/Holton Sermon Award	1	141,655	0	141,655	153,923	0%	100%	109%
Grants for Small Congregations	1	29,454	0	29,454	0	0%	100%	0%
Stapleton Fund for Literacy Programs	1	24,839	0	24,839	22,000	0%	100%	89%
Multicultural Welcoming Congregations	1	22,147	0	22,147	22,096	0%	100%	100%
Loans and Grants for First Homes	2	928,543	264,618	663,925	0	28%	72%	0%
Total	10	1,732,583	380,894	1,351,689	552,217	22%	78%	32%



IV. Gather Our Leaders and Inspire Them

Funds and Purposes	Number of Funds	Total	Endowment	Spend Down	Amount Spent	Percent in Endowment	Percent in Spend Down	Percent of Total Spent
Ministerial Scholarship Funds	12	1,420,251	1,420,251	0	148,144	100%	0%	10%
Ministerial Relief and Aid	2	496,532	457,812	38,720	53,750	92%	8%	11%
Lay Leadership Development	2	218,943	138,017	80,926	73,179	63%	37%	33%
Large Church Leadership Training	2	51,261	27,317	23,944	10,000	53%	47%	20%
Total	18	2,186,988	2,043,397	143,591	285,073	93%	7%	13%



Campaign for Unitarian Universalism

Cash Receipts Report (Fair Market Value) as of June 30, 2006
Final Version

Total Cash (FMV): \$8.5 Million

All Figures Rounded to Nearest \$ Million

Program Purposes	A	B	C	D
	Endowments (approx. 5% for spend down)	Spend Down Accounts	Total Spent on Programs	Available to Spend in FY07
I. Gather Our Vision and Share It <i>UUWF Clara Barton Washington Internship for Women's Issues, Social Justice Advocacy Internships, Visibility and Growth Projects, UUA Marketing Office, and Regional Marketing Campaigns</i>	0.6	2.7	2.2	0.5
II. Gather Our Young People and Nurture Them <i>Professional Development of Religious Educators, New Lifespan Curriculum, Tapestry of Faith, and Youth and Young Adult Ministries</i>	0.2	1.1	0.7	0.4
III. Gather the Congregations and Increase Them <i>Grants for New Starts and Successful Congregations</i>	0.4	1.4	0.6	0.8
IV. Gather Our Leaders and Inspire Them <i>Ministerial Scholarships and Relief Aid Funds, Davidoff Lay Leadership Development, and Large Church Leadership Training</i>	2.0	0.1	0.3	0.01
TOTALS (in Millions)	\$3.2	\$5.3	\$3.8	\$1.71

Note: Column D represents the 5% drawn from funds in endowments plus any remainder in the spend down accounts. Hence, the sum of Columns A and B less Column C does not equal the amount in Column D.