

united jewish communities
annual
report
07

As we look back on 2007, we are incredibly proud of our accomplishments over the past year and we intend to build on them in 2008. Last year alone, the UJC/Federation system raised \$2.4 billion to help Jews in need around the world, an amazing number by any measure.

Our Annual Campaign climbed to \$900 million, our endowment and planned giving portfolio exceeded \$13 billion, supporting more than \$1 billion in programs, and we continued to provide a global array of emergency response programs, from the New Orleans Gulf Coast to Sderot and other “front-line” communities in Israel, via tens of millions of dollars.

And, over the past year, UJC has made some exciting changes to help the continental Jewish community grow and meet the challenges of the 21st century.

Our newest initiatives include a collaborative model of fundraising in 20 pilot communities to help federations take more strategic and effective approaches; helping emerging Jewish communities manage growth, and allowing federations to better measure their performance through our Federation Peer Yardstick benchmarking plan.

We are meeting key challenges in other ways too. We are embarking upon a major market research effort for the UJC/Federation system that will deliver more consistent branding to better connect with an increasingly mobile and unaffiliated population. Meanwhile, we are conducting a parallel study of Jewish mobility to help our federations better understand and reach our evolving community.

We launched the Center for Jewish Philanthropy, a new, donor centered model for comprehensive philanthropy that offers an extensive menu of giving opportunities and tailors strategies to meet every philanthropic need.

We are also working hard to identify and nurture vehicles for promoting Jewish identity and peoplehood, branding them to allow for fundraising campaigns that can be promoted continentally and implemented locally with UJC’s assistance.

We’re engaging our next generation of young leaders, funding innovative alternative startups, convening emerging philanthropists through our Young Leadership Cabinet and at events like Tel-Aviv One and Washington 15, and by featuring young Jewish and Israeli social entrepreneurs at the annual General Assembly.

Our public policy advocacy plays a vital role in leveraging additional funding sources to meet our communal needs at home. In Washington, we advocate for federations, last year

alone securing more than \$20 million in government funding for programs pivotal to our community, such as homeland security aid for high-risk non-profits including federations; aid for naturally occurring retirement communities (NORCs); and funding for a new family caregiver support network. Our Washington Office advocacy on tax and social policy helps protect over \$9 billion in government funding for our communities.

Through our Global Operations: Israel & Overseas Group, based in Israel, we’re helping our system make an even greater strategic impact in Israel and around the world.

Through our federation Annual Campaigns we sent the incredible sum of \$410 million to our overseas partners, the Jewish Agency for Israel and the American Jewish Joint Distribution Committee. Included in this sum was over \$90 million from the Israel Emergency Campaign, our response to the Second Lebanon War. We rebuilt infrastructure, provided trauma relief and moved vulnerable populations out of harm’s way during the war. We then helped rebuild the economic and community capacity of areas affected by the war, and most recently helped the embattled Sderot area where rockets from Gaza are landing by the scores every day. We continue to engage in meaningful evaluation of these investments to insure our donors dollars have maximum impact.

A year and a half ago, we raised some \$75 million for the Operation Promise campaign to help the world’s poorest Jews in Ethiopia – to bring the Falas Mura home to Israel and lift the entire Israeli Ethiopian community into the mainstream, as well as to deliver life-saving food and medicine to poor, elderly Jews in the former Soviet Union and nurture the Jewish identity of young, increasingly assimilated FSU Jews. In 2007 alone, we provided \$8 million of cash for that effort.

UJC and the federations of North America have done so much over the past year to help Jews in need around the world to build community – and we are on course to do even more. We have an unprecedented opportunity to mobilize great financial, intellectual and human capital and leverage our collective impact to address the challenges and opportunities ahead, continuing our historic support of the Jewish people and building thriving Jewish communities.

Howard Rieger
UJC President and CEO

Joe Kanfer
Chair, UJC Board of Trustees

CONSOLIDATED BALANCE SHEET

UNITED JEWISH COMMUNITIES, INC.

JUNE 30, 2007

(With Summarized Financial Information for June 30, 2006)

(In Thousands)

| | 2007 | 2006 |
|--|-------------------------|-------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$70,424 | \$29,640 |
| Allocations and annual assessments receivable (net of allowance for uncollectibles of \$36,722 in 2007 and \$37,849 in 2006) | 290,867 | 295,963 |
| U.S. Government grant receivable | 19,800 | 19,230 |
| Contributions receivable primarily for capital projects - net | 7,920 | 7,012 |
| Advances, other receivables and other assets | 4,672 | 5,918 |
| Investments, at fair value | 65,411 | 53,435 |
| Assets held under charitable trust agreements, at fair value | 1,483 | 1,479 |
| Intangible pension asset | 0 | 46 |
| Capital projects in Israel | 125,619 | 130,985 |
| Fixed assets-net | <u>1,581</u> | <u>1,615</u> |
| Total assets | <u>\$588,777</u> | <u>\$545,323</u> |
| LIABILITIES AND NET ASSETS | | |
| Accounts payable and accrued expenses | \$27,765 | \$29,269 |
| Term loan payable | 66,589 | 70,855 |
| Other payables | 5,937 | 5,533 |
| Accrued pension benefit cost | 6,536 | 3,238 |
| Accrued postretirement benefits other than pensions | 7,118 | 8,818 |
| Amounts held for others | <u>104,347</u> | <u>83,969</u> |
| Total liabilities | <u>218,292</u> | <u>201,682</u> |
| Net assets | | |
| Unrestricted | 130,264 | 131,586 |
| Temporarily restricted | 218,747 | 192,052 |
| Permanently restricted | <u>20,474</u> | <u>20,003</u> |
| Total net assets | <u>369,485</u> | <u>343,641</u> |
| Total liabilities and net assets | <u>\$587,777</u> | <u>\$545,323</u> |

CONSOLIDATED STATEMENT OF ACTIVITIES & CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007

(With Summarized Financial Information for the Year Ended June 30, 2006)

(In Thousands)

| | Unrestricted Restricted | Temporarily Restricted | Permanently Restricted | 2007 | 2006 |
|---|----------------------------|---------------------------|---------------------------|------------------|------------------|
| Operating revenues, gains and other support | | | | | |
| Campaign allocations from communities | \$192,085 | \$137,591 | | \$329,676 | \$330,789 |
| Israel Emergency Campaigns | _____ | 190,320 | _____ | 190,320 | 4,191 |
| Campaign allocations from communities | 192,085 | 327,911 | | 519,996 | 334,980 |
| Contributions | | 13,238 | 471 | 13,709 | 27,674 |
| U.S. Government grant | | 39,600 | | 39,600 | 39,600 |
| The National Federation/Agency Alliance dues | 250 | | | 250 | 281 |
| General assembly and other conference revenues | 4,454 | | | 4,454 | 7,056 |
| Missions | 11,683 | | | 11,683 | 18,380 |
| Program revenues | 1,936 | | | 1,936 | 1,418 |
| Charitable gift annuities | 99 | | | 99 | 43 |
| Investment income | 2,709 | 3,781 | | 6,490 | 4382 |
| | <u>213,216</u> | <u>384,530</u> | <u>471</u> | <u>598,217</u> | <u>433,814</u> |
| Gross proceeds from the sale of apartments | 7,938 | 379 | | 8,317 | 9,903 |
| Less cost basis of assets sold | (392) | | | (392) | (570) |
| Less selling expenses | (604) | (11) | | (615) | (632) |
| Gain on sale of apartments | 6,942 | 368 | | 7,310 | 8,701 |
| Rental income | 4,381 | 66 | | 4,447 | 4,095 |
| Other revenues | 760 | | | 760 | 732 |
| Net assets released from restrictions | 199,154 | (199,154) | | | |
| Total operating revenues, gains and other support before amounts received for distribution to others | 424,453 | 185,810 | 471 | 610,734 | 447,342 |
| Less amounts received for distribution to others | | (159,115) | | (159,115) | (97,153) |
| Total operating revenues, gains and other support | <u>424,453</u> | <u>26,695</u> | <u>471</u> | <u>451,619</u> | <u>350,189</u> |
| Operating program services and supporting services expenses | <u>422,875</u> | | | <u>422,875</u> | <u>\$347,229</u> |
| Change in net assets from operations | 1,578 | 26,695 | 471 | 28,744 | 2,960 |
| Other changes in net assets | | | | | |
| Curtailed gain | | | | | 2,640 |
| Additional minimum pension liability | 123 | | | 123 | 4,388 |
| Gain (loss) on swap agreement | (734) | | | (734) | 2,895 |
| Change in pension accounting principle | (2,289) | | | (2,289) | |
| | (1,322) | 26,695 | 471 | 25,844 | 12,883 |
| Change in net assets | | | | | |
| Net assets - beginning of year | <u>131,586</u> | <u>192,052</u> | <u>20,003</u> | <u>343,641</u> | <u>330,758</u> |
| Net assets - end of year | <u>\$130,264</u> | <u>\$218,747</u> | <u>\$20,474</u> | <u>\$369,485</u> | <u>\$343,641</u> |

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2007
 (With Summarized Financial Information for the Year Ended June 30, 2006)
 (In Thousands)

| | Program Services | | | | Supporting Services | | Total | |
|---|-------------------------------|------------------|-------------------|-------------------|---------------------|---------------------------|-------------------|-------------------|
| | Program Services in Israel | Missions | Other Programs | Total | Fund-Raising | Management and General | 2007 | 2006 |
| Allocations | | | | | | | | |
| Campaign | \$ 287,611 | | \$ 138,290 | \$ 425,901 | | | \$ 425,901 | \$ 289,461 |
| U. S. Government grant | 39,600 | | | 39,600 | | | 39,600 | 39,600 |
| Real estate-related activities | <u>23,632</u> | | | <u>23,632</u> | | | <u>23,632</u> | <u>24,855</u> |
| | 350,843 | | 138,290 | 489,133 | | | 489,133 | 353,916 |
| | | | | | | | | |
| Payroll and benefits | | \$ 1,264 | 17,518 | 18,782 | \$ 1,389 | \$ 6,553 | 26,724 | 26,834 |
| Missions | | 12,129 | | 12,129 | | | 12,129 | 18,950 |
| Meetings and conferences | | 8 | 4,245 | 4,253 | 9 | 362 | 4,624 | 6,747 |
| Travel | | 51 | 1,487 | 1,538 | 117 | 281 | 1,936 | 1,993 |
| Education and evaluation | | | 278 | 278 | | | 278 | 638 |
| Promotional and media | | 55 | 1,369 | 1,424 | 209 | 74 | 1,707 | 1,614 |
| Occupancy and other related costs | | | 2,293 | 2,293 | 123 | 778 | 3,194 | 3,043 |
| Interest and bank fees | | 4,062 | | 4,062 | | | 4,062 | 4,116 |
| Professional and other services | | 1 | 5,183 | 5,184 | 29 | 899 | 6,112 | 5,948 |
| Communication and postage | | 32 | 507 | 539 | 49 | 280 | 868 | 892 |
| Supplies, stationery and subscriptions | | 7 | 400 | 407 | | 5 | 412 | 384 |
| Grants to organizations | | | 8,275 | 8,275 | | | 8,275 | 12,610 |
| Other | | <u>135</u> | <u>1,042</u> | <u>1,177</u> | <u>68</u> | <u>466</u> | <u>1,711</u> | <u>1,388</u> |
| Total expenses including amounts distributed to others | <u>\$ 354,905</u> | <u>\$ 13,682</u> | <u>\$ 180,887</u> | <u>\$ 549,474</u> | <u>\$ 1,993</u> | <u>\$ 9,698</u> | <u>\$ 561,165</u> | <u>\$ 439,073</u> |
| Less amount distributed to others | | | <u>(138,290)</u> | <u>(138,290)</u> | | | <u>(138,290)</u> | <u>(91,844)</u> |
| Total | <u>\$ 354,905</u> | <u>\$ 13,682</u> | <u>\$ 42,597</u> | <u>\$ 411,184</u> | <u>\$ 1,993</u> | <u>\$ 9,698</u> | <u>\$ 422,875</u> | <u>\$ 347,229</u> |

CORPORATE OFFICERS
December 2007

Joseph Kanfer
Chair of the Board

Kathy Manning
*Chair of the Executive Committee
(and Vice Chair of the Board)*

Vice Chairs of the Board

Marilyn Blumer
Diane Feinberg
Rani Garfinkle
Ann-Louise Kleper
Robert T. Mann
Morris Offit
Esther Polland
Elaine Schreiber
S. Stephen Selig III
Mark Wilf
Toni Young

David Fisher
National Campaign Chair

Michael C. Gelman
Treasurer

David J. Steirman
Assistant Treasurer

Michael Lebovitz
Secretary

Howard M. Rieger
President

UJC BOARD OF TRUSTEES
December 2007

Bennett Aaron
Carol Aaron
Gary Aidekman
Eric Albert
Joel Alpersen
Bruce Arbit
Jacob Aronov
Harvey Barnett
Saby Behar
Sharon Bell
Alvin Berkun
Mandell Berman
Franklin Block
Wendy Block
Herschel Blumberg
Marilyn Blumer
Michael Bohnen
Judith Brachman
Nancy Brenner
Charles Bronfman
Shoshana Cardin
Chuck Cohen
Edwin Cohen
Lisa Cohn
Leonard Cole
Claire Ellman
David Engel

Raymond Epstein
Barbara Farber
David Farber
Susan Farber
Diane Feinberg
Doris Feinberg
Iris Feinberg
Genine Fidler
Irwin Field
Cheryl Fishbein
David Fisher
Marc Fisher
Robyn Fisher
Frances Friedman
David Garfinkle
Lorraine Garfinkle
Michael Gelman
Conrad Giles
Cora Ginsberg
Billie Gold
Marc Gold
Robert Goldberg
Ted Goldberg
Jane Goldstein
Charles Goodman
Alexander Grass
Sheila Greenbaum
Robert Grey
Nancy Grosfeld
Harley Gross
Allen Guggenheim
Dan Guyer

Stewart Harris
Leslie Held
Kenneth Heyman
Bobbie Higer
Michael Horowitz
Harry Immerman
Arthur Jablon
Kenneth Kaiserman
Mitchell Kaliff
Joseph Kanfer
Richard Kann
Irene Kaplan
Stewart Kasen
Ward Katz
Arlene Kaufman
Jody Kaufman Loewenstein
Dennis Kessler
Joseph Kirshenbaum
Leonard Kleinman
Ann-Louise Kleper
Lori Klinghoffer
Steven Klinghoffer
Martin Kogon
David Koschitzky
Dane Kostin
Myra Kraft
Jocelyn Krifcher
Richard Krugel
Robert Kuchner
Jane Kulbersh
Mark Lainer
Frank Lautenberg

Michael Lebovitz
Marvin Lender
Beth Leonard
Jerry Levin
Jordan Levy
Norman Lipoff
Arthur Loring
Robert Loup
Edward Lyons
Morton Mandel
Robert Mann
Kathy Manning
Lewis Margolis
Bennett Miller
Paul Morton
Michael Nissenson
Gail Norry
Julie Oreck
Rosalind Osterman
Richard Pearlstone
Kenneth Polin
Esther Polland
James Potter
Heschel Raskas
Albert Ratner
Shepard Remis
Judy Robins
Lester Rosenberg
Ronald Rosensweig
Neil Ross
Robin Rubin
Robert Ruby

Steven Schottenstein
Elaine Schreiber
Jodi Schwartz
Diane Seder
S. Stephen Selig
Midge Shafton
Maxine Shapiro
Sandra Sheinbein
Jane Sherman
Bruce Sholk
Blossom Siegel
Beryl Simonson
Carol Smokler
Edgar Snyder
Carole Solomon
Alan Solow
Joelle Steefel
David Steirman
Henry Taub
Joel Tauber
James Tisch
Patricia Uhlmann
Kenneth Warner
Stanley Weinstein
Richard Wexler
Mark Wilf
Maynard Wishner
Gerald Yanowitz
Toni Young
Fred Zimmerman
Garry Zlotnik

**SENIOR MANAGEMENT
TEAM**
December 2007

Victoria Agron
*Senior Vice President
Development*

Samuel Astrof
*Chief Operating Officer
& Chief Financial Officer*

Dvora Blum
*Vice President
Israel Planning*

Becky Caspi
*Senior Vice President
Director General/Operations*

William Daroff
*Vice President
Public Policy*

Mindy Hepner
Senior Director, Governance

Robert Hyman
*Senior Vice President
Organizational Development/
Stakeholder Relations*

Eric Levine
*Vice President
Jewish Peoplehood and Identity*

James Lodge
*Vice President
Global Operations: Israel & Overseas*

Ron Meier
*Senior Vice President
Mandel Center for Leadership
Excellence*

Gail Reiss
*Vice President
Development and Major Events*

Howard Rieger
President & Chief Executive Officer

Yossi Rosner-Wachs
*Deputy Director General
UJC Israel*

Debra Roshfeld
*Vice President
Mandel Center for Leadership
Excellence*

Nachman Shai
*Senior Vice President
Director General/External Relations*

Yitzchak Shavit
*Senior Vice President
Communal Advancement*

Rebecca Sobelman-Stern
*Vice President
C3: Community/Capacity/Consulting*

Barry Swartz
*Senior Vice President
Continental Community Development
and Capacity Building*



United Jewish
Communities
The Federations of North America | Live Generously.

111 Eighth Avenue, Suite 11E
New York, NY 10011-5201
www.ujc.org