

Follow-up to my May 26 report on The Economic Realities Facing UTS

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BARRYTOWN UPDATE

Dear Alumni/ae and Friends of UTS,

This letter is a follow-up to my report to you on May 26, [“The Seminary’s Next 40 Years: Economic Realities Facing UTS.”](#) At that time, I was pleased to report that our regional accrediting body found the Unification Theological Seminary (UTS) to be fully compliant with their standards, that our former undergraduate students are well situated at University of Bridgeport and elsewhere, that the Seminary’s relationship with the Family Federation (FFWPU) is strong, and that our enrollment for the academic year 2015-2016 was significantly up.

However, the bulk of the report focused on the financial burden of maintaining the Barrytown campus. I noted that costs run more than \$600,000 annually and that such a large outlay is overwhelming (equivalent to more than \$10,000 a week). I suggested that UTS needs to reposition itself as an entrepreneurial, urban seminary with traditional classes and e-learning programs that rely on creative modes of delivery. I also noted that True Mother (Dr. Hak Ja Han Moon) has exhorted organizations that are associated with HSA-UWC / FFWPU, including UTS, to become self-sufficient. My dilemma, as I stated then, is to ensure that UTS continues to be a vibrant and growing educational institution, while simultaneously finding a way to provide good stewardship of the Barrytown property. I concluded that report by indicating our intention of finding partners who are interested in maintaining or developing the property with a vision that is in accord with that of our True Parents.

After distributing the report, a few graduates requested financial information about the expenses that are associated with maintenance of the Barrytown property. I have waited until our books were closed for the fiscal year 2015-2016 to report because I wanted the figures that I submit to you to be accurate. The books are now closed, although the audit for the past year has not yet been completed.

Our income comes from rents and conferences/events. For FY2015-2016, our conference income was \$113,102; our rental income was \$117,684. Also, there was revenue from additional auxiliary enterprises of \$28,650, making the overall total income \$257,038. On the expense side, UTS spent \$349,800 on property and equipment. This includes repairs, maintenance, grounds keeping and staff expenses. UTS employed a facilities supervisor, a grounds manager, a three-quarter time director of hospitality, part-time hospitality workers for conferences, a part-time food service manager and food service workers for conferences, a part-time water technician to test the water and the sewage treatment plant, part-time security, part-time grounds workers, and a part-time custodian.

Utility costs (electric, heating oil, propane, water and sewage) for the property were \$125,967. This was less than in previous years due to a relatively mild winter and lower cost of fuel. New York State conducts annual fire inspections of schools and in the 2015-2016 inspection, UTS was cited for code

violations amounting to \$169,009 for deferred maintenance repairs, i.e, replacement of the Gate House and Massena House roofs, replacement of windows on the east wing of the building which had been removed for the undergraduate program, structural repair of the Small Chapel, etc. In the books, these are listed as capitalized deferred maintenance expenses. Insurance for the facility was \$57,920, bank and professional fees \$17,400, and additional conference center expenses were \$23,323. The only estimated cost is \$130,000 for depreciation. This number is in line with previous years, but the actual amount will be finally determined when this year's audit is completed.

In sum, for FY2015-2016 total expenses for the property were \$869,418, which is more than the \$600,000 that I mentioned in May. Subtracting the income amount of \$257,038, the net loss for maintaining the Barrytown property is \$612,380, expenses which are covered by monthly contributions from our sponsoring Church. In previous years, the losses associated with the property were greater.

We are in discussions with some people about how to ensure that the inheritance of our Founders is best protected and sustained in a public manner for generations to come. We are committed to moving forward in a way that protects the character of the property, honors the legacy of our Seminary and sponsoring Church, and preserves access to Father's trail for our alumni and the general public, while generating funds for the long term sustainability of UTS itself.

There is also a recent development which potentially could effect UTS: The City of New York decided not to landmark the 43rd Street building that is owned by HSA-UWC, which houses the Seminary's Extension Center. It is possible or even likely that the church will for financial reasons develop that valuable piece of property. Obtaining the necessary backing and permits could take several years, yet it may mean that UTS would be without its current instructional facility in Manhattan for a lengthy period or even permanently. This raises the stakes in terms of our planning for and usage of the Barrytown property. We may need revenue either for renting or for purchasing an alternative site in the City and also to relocate such educational programs as distance-learning and short residential intensives to Barrytown.

Please visit our improved website at www.uts.edu I welcome your feedback and ask that you continue to keep Barrytown and UTS in your prayers. My email address is h.spurgin@uts.edu

All the best,

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President