

December 2008

Making the Need Known: An Important Communication

Dear Friends:

We realize the enclosed letter is lengthy, but this is a critical time for Chestnut Hill Benevolent Association and we wanted to keep you fully informed. We urge you to read the letter in its entirety to better understand the complete situation. A synopsis of our key points:

- This is a defining moment for the BA—when we are turning wholeheartedly to God as we face decisions today that will determine the future course of the BA.
- Our Leader saw the vital role of Christian Science nursing, and she requested that a facility be established to provide a refuge for care and healing. We need your prayerful support as we continue to serve and minister to those relying on Christian Science for healing.
- For many years, the BA has operated at a deficit. Because of our current unsustainable financial position, we are reviewing all of our programs, costs, and assets and are developing a plan to put the BA on a more solid financial footing.
- As a first step, while we are developing that plan, we need an immediate influx of funds. We must raise a total of \$2.5 million by May 2009, when we expect to complete the plan.

Sincerely,

BOARD OF TRUSTEES
Chestnut Hill Benevolent Association

A CONTRIBUTION FORM MAY BE FOUND ON THE BACK PAGE OF THE
ENCLOSED LETTER.

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Making the Need Known: An Important Communication

Dear Friends:

We've all had defining moments in our lives—times when we've faced decisions that seemed to be life-changing or events that would define who we were or the course that we would take. And more than likely in those moments, we have also reached out to God from the depths of our hearts and felt His loving presence, lifting, guiding, and transforming us.

Here at Chestnut Hill Benevolent Association we have come to a defining moment—when we are turning wholeheartedly to God as we face decisions today that will determine the future course of the BA. After serving the Christian Science Field for 90 years, we are undergoing a comprehensive review of our operations, including our programs, our costs, and the use of our assets, to determine how best to fulfill our mission effectively and efficiently. Our aim with this review is to establish the BA on a solid financial basis while maintaining the full breadth and depth of our Christian Science nursing services.

Our mission and purpose are clear. The BA has the important role of providing a refuge and services that minister to the needs of mankind with Christian Science nursing. We invite you to be part of this demonstration. We would like to share with you background on how Chestnut Hill Benevolent Association came into existence, the review currently underway, and how you can help.

BA Established at the Request of Mary Baker Eddy

The BA was formed in response to our Leader's recognition of the need for a place to care properly for the sick and the need for Christian Science nurses. In the year following adoption of the By-law, "Christian Science Nurse," she sent the Christian Science Board of Directors this proposed By-law: "The Mother Church shall establish and maintain a Christian Science resort for the so-called sick."

The Directors adopted the By-law but later wrote to her that they had not seen a clear way to put the By-law into operation due to legal, monetary, and policy concerns. Mrs. Eddy was willing to let the matter rest for the time being and suggested to the Board that they repeal the By-law.

In 1916, the Board of Directors was ready to respond to Mrs. Eddy's request for a "Christian Science resort for the so-called sick" and announced to the Field the formation of the Christian Science Benevolent Association, now known as Chestnut Hill Benevolent Association.

The BA was a department of The Mother Church until 1981 when the Directors transferred the BA to an independent board of trustees, separate from the Church. Since that time, the BA has continued its mission of providing Christian Science nursing and Christian Science nurses training in accordance with the *Church Manual* By-law, "Christian Science Nurse." (Art. VIII. Sec. 31.)

Comprehensive Review of Operations

Despite the efforts of many capable trustees and managers, the BA has for many decades operated at a loss, even much of the time when it was run and supported financially by The Mother Church. Expenses have exceeded operating income, and donations have helped to close the gap. In recent decades, the BA has been able to continue operating due to extraordinary one-time gifts and use of assets, such as interest on our small endowments, but its financial position has continued to be precarious. In the early 2000s, it became very clear that operating at a deficit could not continue and a comprehensive review of the BA's operations, including programs, costs, and assets, was begun.

The following are some of the questions that have been considered in conducting this comprehensive review:

1. How can we best preserve the demonstration of this healing refuge and avenue of practice for Christian Science nursing?
2. What do we see as the need for Christian Science nursing today and in the future?
3. Are our programs fulfilling this need efficiently, effectively, and in accordance with the *Church Manual* By-law, "Christian Science Nurse"?
4. What is the right business plan to carry out these programs in today's financial, legal, and business environment?

The BA began its review in the early 2000s by assessing the Christian Science nurses training program, since it directly supports Christian Science nurses, the practice of Christian Science nursing, and the availability of more Christian Science nurses for the BA and the Field. At that time, it was apparent that in order to fulfill our mission, we needed to strengthen our comprehensive and structured training program.

This step was taken in 2002 with the adoption and establishment of the *Christian Science Nursing Arts Training Program*. This program has continued to grow and develop, and to date it has supported the training needs of many Christian Science nurses throughout the Field, including those at the BA, many other Christian Science nursing facilities, Principia, and Christian Science camps. Over 200 Christian Science nurses from the United States, Africa, South America, Canada, England, Korea, and Japan have participated in this training.

While undergoing this review, we looked carefully at our Christian Science nursing services to ensure excellence in the quality of care being provided and in our representation of the *Manual By-law*, “Christian Science Nurse.” To this end, many steps were taken to strengthen our practice of Christian Science nursing, including the provision of additional training for the Christian Science nursing staff. This strengthening has made a significant difference in the ability of our Christian Science nurses to respond competently to requests for care that require deep spiritual-mindedness, compassion, and excellence in skills and expertise.

Simultaneously, the BA created a business plan to support all our programs, including Rest & Study and Independent Residential. In this context, along with expense and revenue projections, we assessed the proper usage of our buildings and facilities, which are part of our most key physical asset, our 23-acre site.

In 2005, the BA issued a \$15 million bond—akin to receiving a loan—with the property as collateral. The issuance of the bond allowed the BA to lower the interest rate on an \$8 million mortgage outstanding from the construction of the Christian Science nursing building, which was originally initiated in the 1990s by the need to meet requirements of The Mother Church at that time. The bond also provided money for urgently needed building repairs and renovations in the BA’s Original Building, as well as necessary working capital. Through early 2007, the BA saw steady improvement and growth in key areas identified in our business plan. However, there is a pressing need to pay off the loan, which would free up close to \$1 million annually for general operating uses, funds that are currently being used to service the debt.

Severe Financial Challenges Facing the BA

For decades, the BA has not been able to build an endowment or sufficient cash reserves to provide resources needed during challenging times. As a result, multiple unexpected financial challenges of this past year have left us with a cash shortfall of \$1.7 million and limited cash on hand. We have seen a resolution or correction to some of these unexpected challenges, but

others remain unresolved at this point. We are grateful for the response and generosity of many dear friends earlier in the year, which provided sufficient funds to carry us through the summer and autumn months. At the moment, however, we need an influx of funds, starting this month. This challenge is immediate and acute.

Another ongoing challenge is the need to raise annually over \$4 million in contributions to meet daily operating expenses. On average, the BA raises \$2.5 million annually in contributions, well short of what is needed. Some years, we have made up that shortfall with unexpected legacies, for which we are extremely grateful. But they are, of course, not a steady stream of income. In spite of this, we have continued to provide as much as \$600,000 a year in benevolence, financial assistance for those in need who have used our Christian Science nursing services. Providing benevolence has always been an integral part of our mission.

To assist us in addressing these severe financial challenges and to continue our ongoing review, this summer we hired a third-party consultant to assist us in evaluating the use of our assets. With the consultant's help, we are also revisiting our business plan to determine how to best operate in today's financial environment with wisdom and efficiency. We are continuing to examine all of our programs and other aspects of our business plan, including fuller utilization of our buildings. Our goal is to develop by May 2009 a comprehensive financial framework that sustains our mission over the long term.

Your Immediate Support Is Needed

We need the prayers and practical support of our friends in the Field to help us make this demonstration. To do this, we need immediate short-term assistance to give us time to make long-term adjustments.

Immediate Financial Need

Currently, we must raise \$2.5 million (approximately \$400,000 per month) over the next six months, the time required to complete the development of this financial framework. A portion of that sum is needed immediately. We realize that our needs are sizeable, but please be assured that gifts of all sizes will help us continue operating while we develop this plan to ensure the future of the BA, good stewardship of our current assets, and the expression of "wisdom, economy, and brotherly love." (See Article XXIV, Sec. 5 of the *Church Manual*.)

Long-Term Financial Need

Beyond this immediate period, we see the vital importance of paying off our loan and establishing a substantial endowment for the BA. Increased annual giving will also be required. Our plan will outline the steps and measures needed to accomplish these goals.

We will be in touch regularly to update you on our progress financially and to brief you on the plan, once it is completed. Thank you for joining us in this demonstration and for your love and support of the healing practice of Christian Science nursing.

If you have any questions, we would love to hear from you. Please feel free to be in touch with any one of us, with our executive director, Janiva Toler, or with our director of development, Janee Shaw. You can reach the BA by calling 800-662-9937.

With deep gratitude,

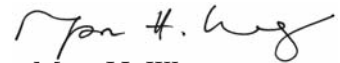
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P.S. In order to provide updates in the most cost-effective and timely way, we would like to ask you to consider providing us with your e-mail address. If you'd like to be kept up-to-date, please send an e-mail to inquiry@chbenevolent.org. Thank you!

Please turn page for front side of contribution form.

Credit Card Information

Visa MasterCard Amex Discover

I authorize:

- A one-time charge of \$ _____
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*To contribute online,
visit our secure website at
www.chbenevolent.org*

CONTRIBUTION FORM



Ministering to the Needs of Mankind with Christian Science Nursing

I want to make a gift of \$ _____

I want to be a Sustaining Circle member (\$1,000 or more)

____ Enclosed is my check in the amount of \$ _____

____ I would like to make a monthly gift of \$84.00 a month
for 12 months. *(complete reverse side)*

Please make your check payable to **Chestnut Hill Benevolent Association.**

To charge your gift, see reverse. Online gifts may be made on our secure website, www.chbenevolent.org

Thank you for your support!

Your gift to Chestnut Hill Benevolent Association is tax deductible to the extent allowed by law.