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Methodist Money & Ministry

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Methodist Money & Ministry

Editor – Patti Simmons, VP of Foundation Relations
Lead Writer – Pamela Wiggins
Photography – LeAnn Bond
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ON GIVING: FAITH & MONEY SERIES

FEEL GOOD ABOUT GIVING WITH A FEEL GOOD INVESTMENT

by Candy Gross, Senior Vice President of Investor Services/Grants

As I oversee the Texas Methodist Foundation's Investor Services department and our grants program, my work allows me to witness the outcomes of giving from multiple angles.

When I see generous donors make gifts supporting grants to causes like those listed on page 6, it's easy to make the connection between dollars given and lives changed. I'm often privileged to see those recipients of God's love: the elementary school boy who proudly shows off his improved reading skills at a bustling church after-school tutoring program; or the relief and gratitude on the face of a mother of four, recently laid off and visiting a food pantry for the first time.

Investing, too, can be a way to transform lives. Typically, considering investment options means thinking about how much you'll reap in interest rather than finding a

way to give to others. That's understandable, especially given the disappointing returns many investors have experienced in the market these past few years. But what if you knew your investment was earning a good return for you and your family while giving to a fund that provided a loan to a United Methodist congregation to enlarge a kitchen to provide meals to the homeless? Or to renovate space for a growing after-school program in an area with few affordable options for families?

The **Foundation's Methodist Loan Fund** and **Individual Fund** are straightforward investments connecting financial practicality with spiritual and social responsibility. Our investors earn higher than average interest while providing seed money for competitive loans to United Methodist congregations who use those loans to live out God's unique call for serving their communities.

Essentially, these investments are good for you, good for the Church, and good for others.

To make Individual Fund investments even more rewarding, we're also extending our special "clergy appreciation rate" during 2010, so United Methodist clergy can earn even more on Individual Fund investments in honor of their commitment to ministry. This offer, open to clergy with primary residence in Texas or New Mexico, entitles them to a one-half percent interest increase on new and renewed fixed rate investments.

Isn't it time to feel as good about your investments as you do about your other giving choices? **Visit our web site at www.tmf-fdn.org for current rates or contact Investor Services at 800/933-5502 for more details about how to grow your personal investment while growing the church.**

DONOR CONNECTS FAITH, FAMILY AND FUNDS IN GIVING

What type of gift should be made? Who should facilitate this important gift? And will the facilitating organization be around in the long term to represent the interests and carry out the wishes of its donors? When the time is right to share blessings through gift planning, myriad questions can leave a donor wondering which way to turn.

So when an astute businessperson and United Methodist leader like Tom Harkrider faced his own decisive giving moment, where did he seek trusted guidance?

"For me, it was a matter of going with an organization with integrity, competence and financial stability.

I also wanted to work

with an organization that shares my values," said Harkrider. "Being active in my annual conference, I knew about the Texas Methodist Foundation and its excellent reputation before I ever began serving on the board, and long before I thought about making a gift."

Harkrider's planned gift, a donor advised fund, grew out of his relationships with many United Methodist role models. He recalls his parents, family members, and a number of other "saints," who fed him inspiration as they led by example through faithful generosity.

When he wanted to honor two of these compassionate mentors, his uncle Tom and aunt Klara, he knew the Foundation could help him direct his gift toward a church ministry close to the heart of his family.

"Part of the money used to establish this gift came through an inheritance from my aunt and uncle. They were founding members of Central United Methodist Church in Waco. Designating one of this church's ministries, Central Faith Child Development Center, as one of the recipients of a gift from the donor advised fund was a way to pay tribute to these very special people in my life."



Tom Harkrider, donor

But making this gift was also a way to express appreciation for Harkrider's own faith, and all he's gleaned from his United Methodist roots. "This fund is truly a tangible expression of the fruits I've experienced in Christian life," he added.

Harkrider's giving to organizations serving children and youth reflects a life-long commitment to serving young Christians through United Methodist activities. He served as a volunteer and dean at Glen Lake Camp, taught Sunday school to junior and senior high students, and still works with



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www.tmf-fdn.org

OR CALL US TOLL FREE
1-800-933-5502

Letter from the President

Dear Friends,

As often as possible, we remind our churches, investors, donors, and others we serve about the financial strength of the Texas Methodist Foundation, even through the recent economic challenges. The real importance in our stability, however, goes far beyond tangible assets. If we don't remain strong as a faith-based financial institution, we can't fulfill the reason we exist - to empower the ministries of our Church.

Part of our strength comes from faithful individuals like Tom Harkrider, who entrusted us with a donor advised fund that supports the Foundation while extending grants to charitable organizations of his choice. Other donors have helped us continue to make a measurable difference through our Grants Ministry so organizations like the Wilkinson Center in Dallas, along with many others, can ably address the root causes of poverty.

As we continue to explore the best ways to serve United Methodist individuals and churches in Texas, please let us know how we can help you make God's dreams for ministry a reality. That's why we're here.

For the Foundation,

TOM
Tom Locke



TOM LOCKE



story continued from page 1

young people as often as possible. "I see mentoring kids as a major role of the Church. It goes back to the faith-based foundation I received growing up. That's always been an important part of my life."

Harkrider values the fact that the Foundation benefits from holding a gift on his behalf, and he likes knowing that the organizations he has chosen to receive grants from his fund see a United Methodist presence when they receive a check rather than one coming directly from him.

"My heart leads me to primarily support United Methodist organizations, but it's good to know other beneficiaries I choose outside the Church will make a Methodist connection when they receive grants from the proceeds of this fund. Every time they receive a check from the Foundation, the Cross and Flame is extended out into the community."

While he admits considering other giving vehicles available to him, Harkrider touts the personal touch he receives working with Foundation staff as a vital decision-making factor. **"The Foundation helps donors explore and support their passions. And the amount of care that goes into the grant making process when proceeds from gifts are distributed to my charities of choice, well, I just don't think I would get that level of service from most other organizations."**

Harkrider sees the philanthropic picture from all angles as board member of Casa Mañana, a nonprofit performance arts organization in Fort Worth that has also benefitted from a scholarship grant from his donor advised fund. He recognizes that while giving to nonprofits is down in general, the needs of individuals being served by many



"My concern is that when I'm gone, will the organization utilizing my funds still be around, and will the values important to me continue to be upheld?"



Top: Tom Harkrider (center) with his uncle and aunt Tom W. and Klara Harkrider (left side) and parents David and Bobbie Harkrider (right side) as his father received the Morris Walker Award from the Central Texas Annual Conference in 1983.

organization utilizing my funds still be around, and will the values important to me continue to be upheld?"

"I have great confidence that the Texas Methodist Foundation has the strength and stability to follow through, not only for me, but for the Church we serve together in Christ."

worthy charitable organizations are greater than ever. "Earnings are down so gifts are down across the board, especially large gifts available through foundations. Nonprofits have been so strapped for funding of late, but the needs are clearly still there. This provides the opportunity for individuals to step up and fill the gap to support causes important to them. We're seeing a tremendous outpouring of relief to Haiti, so we know people do have money to give if they're called to do so, and they can do that locally as well."

But rather than always responding to needs spontaneously, Harkrider feels establishing a donor advised fund offers the opportunity to give comfortably at the right time. Then later, when needs arise, funds are available to serving organizations - like during the current economic situation when local churches and charities shoulder a heavy burden.

"Making a planned gift like this matches up money with needs better than making a random gift. There's more depth to the funding process and more accountability than a donor writing a single check receives. There's a level of comfort and assurance knowing the money will go where there is a real need. And not only now, but well into the future."

Establishing a donor advised fund through the Foundation also opened the door for Harkrider to explore other estate planning options. "Having this fund in place makes planning for what happens next a lot easier now. My concern is that when I'm gone, will the



DOORWAYS TO CHRIST shares the experiences of organizations that are making God's love visible in the world with astonishing grace and clarity. We are privileged to partner with them.

Our most recent support for the Wilkinson Center was through a \$30,000 grant award to their CLIMB after-school program.

WILKINSON CENTER TAKES THE LONG VIEW IN GOOD TIMES AND BAD

While other nonprofit leaders agonize over the myriad tradeoffs facing leaders in a struggling sector, Brian Burton, executive director of the Wilkinson Center in Dallas, celebrates their newest partnership with Eastfield College's Pleasant Grove campus. In fall 2009 the Wilkinson Center began offering classes at the college to prepare under-resourced students for entry into Eastfield's core programs. An on-site case

manager helps them overcome barriers to fully accessing or engaging in a potentially transformative educational experience.

"This adds another dimension to our holistic approach to combating poverty," Burton said. While immediate family needs are addressed through emergency services and their Food Pantry, Wilkinson Center's second-tier programs empower family

members with the skills, relationships, and resiliency they need to move into economic independence. Adult education programs – GED, ESL, computer literacy, financial literacy, and career prep – and their free CLIMB after-school program work together to provide coordinated support services and resources for creating "pathways out of poverty" for the area's most vulnerable families.

Leading in the Best and Worst of Times

Though justifiably proud of this latest nationally recognized collaboration, Burton is the first to admit the difficulties of managing a nonprofit, especially in tough economic times. Like 93 percent of nonprofits surveyed by the Bridgespan Group in fall 2009, the Wilkinson Center has been dramatically affected by the downturn. In fact, the center has seen a 70 percent increase in demand while funding has diminished.

"In my 14-year tenure here, last year was the worst. Needs were up, money was down, and we had to make some really tough decisions –

but we wanted those decisions not only to allow us to survive the recession, but also position us to take advantage of new opportunities as the economy improves. We weren't interested in short-term survival – we wanted sustainability," Burton recalled.

Preserving the Core/Stimulating Progress

When faced with reductions in revenue, most organizations have no choice but to cut costs, and the Wilkinson Center was no exception. However, even when confronted with an immediate shortfall, they refused to rob the future to pay for today. Instead, they focused on their mission, on preserving a healthy core.

They accelerated by two years their plans to move programs at Munger Place United Methodist Church – where the Wilkinson Center originated in 1982 – to southeast Dallas. Though emotionally charged, the transition improved their financial picture while positioning them to serve the needs of even more struggling families located in an area with more affordable housing than the gentrifying East Dallas neighborhood around Munger Place.

"It was difficult to vacate our 27-year home at Munger Place. But we knew it was more important to remain true to the purpose and vision of our founders than to their location," Burton remarked.

When one of those founders, Rev. Clayton Lewis, then pastor at Munger Place, observed a child digging for food in a dumpster, he vowed to spare other children that indignity and suffering. He helped form the East Dallas Cooperative Parish to minister to a growing impoverished population in East Dallas in the early 1980s. "That need has moved to the Pleasant Grove area in southeast Dallas, so that's where we needed to put more resources," Burton explained. "I think Rev. Lewis and Ruby Wilkinson (the Munger Place member for whom the Wilkinson Center is named) would support that decision wholeheartedly."

Unfortunately, like many nonprofits across the country, the Wilkinson Center was also forced to reduce staff – from 26 to 19. "That was the hardest decision. These were good people," Burton lamented. "We just tried to make decisions with a concern for the common good, with transparency, and with a sensitivity and compassion for all affected, both those who were laid off and those who remained."

Missional Management

That concern for the common good has defined Mr. Burton, an amiable, remarkably youthful-looking Southern Baptist from Arkansas who moved to Dallas in 1991 to be minister of adults at Wilshire Baptist Church. There he began his career in community-based education, starting innovative programs such as a vital job leads network, a spirituality of nursing continuing education course, and a survival course for beginning public school teachers. "Thousands of non-members were shown a faith meant to help, a faith that projects outward," Burton said.

"Growing up Southern Baptist in Little Rock, we were at church four times a week – I guess it "took" with me. When I became re-involved with my home church in my mid-twenties, I began to understand the purpose of the Church as touching those on the ragged rim, taking Christ's message of hope outside the walls of the Church," he continued.

Burton, however, had a crucial component to add to his calling to serve: management acumen. In addition to his Masters of Divinity, he earned an MBA and an undergraduate degree in accounting and held cost accountant and comptroller positions in the real estate industry.

"No doubt about it, passion about your cause is essential, but it's not enough. You have to be able to implement sound management principles for stability and long-term viability. And you have to tailor those business practices to the changing needs of your organization."

Burton began building that foundation at the Wilkinson Center 14 years ago. "A year after I started, we became a 501(c)(3). I added greater intentionality to board recruitment, identifying prospects whose skills and knowledge matched the requirements for

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"The message we want to convey to our kids is to take responsibility for their own learning," said CLIMB Director Marguerite Holmes. The CLIMB (Changing Lives, Improving Minds and Bodies) after-school program offers tutoring, physical fitness, nutritional education and fine arts opportunities to low income children ages 5 to 14.

Top: Brian Burton, Executive Director of the Wilkinson Center
Below: Marguerite Holmes, Director of CLIMB, Wilkinson's after-school program

Through our Grants Ministry, the Texas Methodist Foundation connects donors' passions with real-life needs. In the process, life-changing partnerships are formed within communities. Grants awarded from the Foundation's undesignated endowment give priority to programs addressing the root causes of poverty. Other grants are made based on the donor's choices when establishing the gift.

The following grants, including a number of significant gifts from donor advised funds, were funded in 2009:

FUND	RECIPIENT AND PURPOSE	AMOUNT	THANKS GIVING FUND	AMOUNT
BOWERS FAMILY FUND	Methodist Hospital Fdn. – Houston	50,000.00	First UMC – Farmersville	2,500.00
	Hispanic Religious Partnership – San Antonio	15,000.00	Tioga UMC	2,500.00
DONLIN FUND	SW Diabetic Fdn. – Camp Sweeney	20,000.00	TMF GRANT ENDOWMENT	
FLINN FUND	Diamond Hill UMC – Fort Worth	12,000.00	Glen Lake Camp – CTC	8,000.00
GILLUM FUND	Friends of Elgin Library	35,459.04	Trinity UMC – Houston	15,000.00
	St. Peter's Church – Coupland	3,080.00	Fort Worth District	1,000.00
	Salvation Army of Austin	44,477.00	Texas Conference	1,274.60
	Elgin High School	16,368.00	Wesley Community Center – Houston	20,000.00
LEE & MAXINE GROTE FAMILY FUND	Austin District – SWTX Annual Conference	11,000.00	Crowley House of Hope	5,000.00
LESLIE ENDOWMENT FOR CHRISTIAN EVANGELISM	El Buen Pastor UMC – Edinburg	12,000.00	Fort Worth Metro Board of Missions	5,000.00
MODESETT FUND	Annual Conference Five Practices Events	40,000.00	Aldersgate Enrichment Center	5,000.00
CARL & KATHERINE PERRIN FUND	H.O.P.E. Tutoring – Arlington	10,000.00	Wesley Community Center – Amarillo	5,000.00
REDMOND-KELLUM FUND	University UMC – San Antonio	2,000.00	Hope Community of Shalom – Lubbock	5,000.00
OREN & MARY DEE 1997 ENDOWMENT	Northwest Texas Conference	5,000.00	UM Service Center – Abilene	5,000.00
GARY & SUSAN SOULES SCHOLARSHIP FUND	Perkins School of Theology	25,000.00	Area Mission Outreach – Midland	5,000.00
ALTON & FAY TALBERT MEMORIAL FUND	Johnson Co. Meals-on-Wheels	10,000.00	Wesley-Rankin Community Center	10,000.00
	Johnson County Community Partners	7,000.00	Dallas Bethlehem Center	10,000.00
	Grandview ISD	2,041.00	First UMC – Mabank	9,000.00
	Grandview Christian Men's Group	4,000.00	United Community Centers – Fort Worth	30,000.00
	St. Mark's UMC – Cleburne	8,400.00	Wilkinson Center – Dallas	30,000.00
	Harris Methodist Walls Hospital	1,000.00	Project Transformation	18,000.00
	Johnson County Children's Advocacy Ctr.	7,000.00	New Hope Learning Ctr. – The Colony UMC	20,000.00
	CASA of Johnson County	7,000.00	La Trinidad UMC – Fort Worth	7,000.00
	First UMC – Grandview	6,000.00	ELVA WARNER ENDOWMENT	
			University UMC – San Antonio	3,000.00
			DONOR ADVISED FUNDS	
			UM Temple – Port Arthur	10,000.00
			TMF Institute	5,000.00
			Southwestern University	5,000.00
			Rose-Hulman Institute	4,000.00
			Casa Mañana Theatre – Fort Worth	500.00
			Wesley-Rankin Community Ctr. – Dallas	50,000.00
			TMF – Five Practices Training	8,683.42
			Texas Annual Conference	30,000.00
			Lydia Patterson Institute	35,000.00
			Central Texas Annual Conference	1,350.00
			TMF Institute	127.84
			North District – Texas Annual Conference	51,246.87
			TOTAL	\$777,007.77

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Myra Collins, CLIMB Site Coordinator



advancing our vision. As we grew I looked for individuals who could recognize strategic opportunities and advocate for us," he explained.

Investing in Managerial Capacity

Eventually, the excessive demands and escalating pressures from phenomenal growth began to take their toll on Burton. But instead of falling victim to the nonprofit sacrificial mindset of always doing more with less, Wilkinson Center leadership again took the long view and hired Mike Redmond to take over operations, staff supervision and administration, giving their overstressed executive director more leverage.

"Hiring Mike as director of operations is a great example of distinguishing between cost and what you get for the cost. That decision freed me from doing 'everything' to focus on fundraising, cultivating relationships, and building partnerships. As a result, we're a much stronger organization." One of those relationships – with Medical City Hospital in North Dallas – led to \$190,000 raised by hospital employees to pay for the lease, staff, operations and food at Wilkinson Center's new location in South Dallas for two years.

In 2005 Dallas Social Venture Partners helped build managerial capacity even further when they selected the Wilkinson Center as one of their partners. "This was a match made in heaven," exclaimed Burton. "They helped us write a strategic plan, rebrand our after-school program, make our programs portable and replicable, and develop a succession plan. They brought financial resources to the table but, more importantly, they brought incredibly gifted and generous people who shared best practices with us at a pivotal time in our development," Burton said.

The Wilkinson Center has managed this recession by using the same basic principles they rely on for their daily management. "Though I certainly wouldn't welcome a recession, in some ways it forces you to do the things you should always be doing: pay attention to a healthy core; make decisions for sustainability not for quick fixes; constantly evaluate the most effective use of resources; hire people who are self-motivated; build a diverse community around your cause; communicate your story, to name a few – all of those practices helped grow us to this point, put us in a more secure position when the recession hit, and positioned us well for the future. They also enabled us to touch the lives of close to 50,000 people during 2009."

"After all, we are working for lasting, transformative change for those we serve – the kind of change that requires day in and day out work and tough decisions that accumulate over time (God's time) into significance."

To learn more about the Wilkinson Center, visit their web site at www.wilkinsoncenter.org. Find out more about the Texas Methodist Foundation and the work of our Grants Ministry at www.tmf-fdn.org.



TMF STATEMENT OF PURPOSE

Our purpose is to empower the Church in the achievement of her God-appointed missions.

11709 Boulder Lane
Suite 100
Austin, Texas 78726-1808
Phone: 512/331-9971
Toll-free: 800/933-5502
Fax: 512/331-0670
Email: tmf@tmf-fdn.org

Web sites:
www.tmf-fdn.org
www.tmf-institute.org

THE TEXAS METHODIST FOUNDATION OFFERS:

Investment opportunities with competitive returns for individuals and churches.

Loans to United Methodist churches and institutions wanting to reach more people through larger or improved facilities.

Stewardship Services to help congregations secure the financial resources required to continue and expand ministries.

Gift Planning Services for individuals so they can make a lasting impact on ministries that are important to them.

Endowment Services for churches and institutions to develop permanent funds and raise awareness of how contributing to these funds can enrich ministries.

Grants to help fund programs addressing the root causes of poverty.

Institute for Clergy and Congregational Excellence to provide leadership, self-care and spiritual formation resources to United Methodist pastors.

VARIABLE RATES AS OF 2/01/2010*										
TMF Methodist Loan Fund	1.90%	TMF Short-Term Fund	1.15%	TMF Individual Fund	1.80%					
FIXED RATES THROUGH 2/05/2010**										
	1 Year	1 yr Yield	2 Year	2 yr Yield	3 Year	3 yr Yield	4 Year	4 yr Yield	5 Year	5 yr Yield
TMF Methodist Loan Fund	2.15%	2.17%	2.50%	2.56%	3.05%	3.19%	3.30%	3.58%	3.45%	3.76%
TMF Individual Fund & IRA	2.00%	2.02%	2.35%	2.40%	2.90%	3.02%	3.15%	3.35%	3.30%	3.58%
TOTAL RETURNS										
Fund	YTD as of 1/31/10	2008 Return	Three Year Average	Five Year Average						
TMF Equity Fund	-4.46%	30.82%	-0.40%	3.20%						
S&P 500 for comparison	-3.60%	26.46%	-2.20%	2.50%						
TMF Balanced Fund***	-2.39%	19.10%	0.20%	2.60%						

Past performance is not an indication of future results. *Variable rates subject to change monthly. **Fixed rates are set on a weekly basis. ***Balanced Fund established December 2003. For more information on our investment funds or current rates, please call Sara Beltran at 1-800-933-5502 or visit us at www.tmf-fdn.org.