

**hope**

**The Oklahoma United Methodist Foundation**  
2010 ANNUAL REPORT





The children above are a part of Pearl's Hope, a ministry of Circle of Care, and one of the many ministries supported by the Oklahoma United Methodist Foundation. Pearl's Hope provides transitional housing and other support services to homeless women and their children in the Tulsa area. The ministry was established through the vision of Pearl Opel Thorpe whose estate created an endowment fund at the Foundation for such a cause. In its third year of operation, Pearl's Hope is making a significant impact on the lives of the women and children it serves, giving them hope for what the future holds.

# The power of hope

The mission of the Oklahoma United Methodist Foundation centers around one word: **hope**. It is not a big word and is sometimes overused, but this word can mean everything to a family in a dire situation, to a ministry desperately needing sustaining funds, to a church needing to make necessary repairs, and to a college student wondering how to pay the next semester's tuition. Nearly everything the Foundation does encompasses this central theme of hope. Hope for our next generation. Hope in the difference we make through ministry. Hope that lives are changed through Jesus Christ.

Hope is at the heart of why endowment funds are vital to ministry. Whether established through a tithe of your will, a charitable gift annuity, or other giving tools, endowment funds provide long-term viability for the many ministries of our church. Because of the foresight and generosity of our donors, the endowments at the Foundation are working in ministry all around the world. *Planting Seeds*, our endowment promotion program, can help establish or revitalize your church's permanent endowment fund to grow current and future legacy gifts. From small rural churches to large urban churches and ministries, endowments provide hope for the next generation; hope that lives will continue to be reached for Jesus Christ.

In 2010 we launched EQUIP, a program helping churches teach the principles of Christian financial management. EQUIP uses *Financial Peace University* (FPU) along with a five-week sermon series, Sunday school curriculum, as well as prayer and promotion teams. With EQUIP, a church offers multiple or consecutive FPU classes, making the classes widely available to the congregation and community.

It is important to remember each class represents families whose lives are impacted. I hear stories from participants excited to tell how their marriage is saved because of improved communication regarding finances; how a child is able to go to college without student loans; and how retirement is now a possibility because of proper planning. Last year alone we had more than 100 FPU classes offered in United Methodist churches across Oklahoma and nearly 1,000 families completed the 13-week class. I believe our efforts in this area are vital to the well being of our churches, and are giving hope to families seeking financial peace.

Thank you for your continued support of the Foundation. Your faithfulness and dedication are a testimony to your love for our great church. My prayer is that you will join us in providing hope for the future. Including the church or a United Methodist ministry in your will is an easy way to leave a lasting legacy. Please call on us for any assistance in remembering the church through your resources.

**Bill Junk**

**Foundation President**



# Benefactors of generosity

Thank you for your support and partnership with the Oklahoma United Methodist Foundation. I am honored to be the Foundation's newly elected Board of Trustees chairman. I was elected in October and look forward to my term in this important role.

As a member of the Foundation's investment committee, I can assure you of the careful consideration and oversight when investing our donors' and churches' hard-earned resources. With our recent asset move to the General Board of Pension and Health Benefits of The United Methodist Church, we can be even more sure of the oversight and socially responsible investing practices.

My time on the Foundation's board spans 12 years, and I am honored to call myself a member. As a young married family, my wife Marsha and I were the benefactors of a generous family who helped us through seminary without any debt. We look forward to returning that generosity someday by giving a tithe of our will to the church. We hope to impact young families, just like us those many years ago.

We are all benefactors of someone's generosity, maybe it is an unexpected gift, a little extra love and grace, or even paying college tuition. My hope is that we can all give back in a way that blesses those around us. Just like my family's life was impacted and changed many years ago, we have the opportunity to do the same for someone else.

I look forward to the coming year with the Foundation and all God has in store for this great organization!

**Dr. Robert Long**

**Foundation Board of Trustees Chairman**



# 2010 Board of Trustees



Dr. Robert Long, Chair, *Oklahoma City*

Hon. David Russell, Vice Chair and Operations Committee Chair, *Oklahoma City*

Harold Armstrong, Secretary, *Oklahoma City*

Peter Boatright, Investment Committee Chair, *Oklahoma City*

Judy Benson, Planned Giving Committee Chair, *Frederick*

Dr. Guy Ames III, *Ardmore*

Rev. Brian Bakeman,  
*Oklahoma City*

Dr. M. Mouzon Biggs Jr., *Tulsa*

G.T. Blankenship,  
*Oklahoma City*

Barbara Braught, *Duncan*

Mary Wheeler Brown, *Tulsa*

Terry Carter, *Tulsa*

Rev. Darrell Cates, *McAlester*

Glenn Cox, *Bartlesville*

Frank Davis, *Guthrie*

Allen Evans, *Oklahoma City*

Gerald Gamble,  
*Oklahoma City*

Rev. Linda Harker, *Muskogee*

Dr. Tom Harrison, *Tulsa*

Bishop Robert E. Hayes Jr.,  
*Oklahoma City*

Jerry Hudson, *Tulsa*

Tom Jones Jr., *Duncan*

Linda Petree Lambert,  
*Oklahoma City*

Leslie LaReau, *Norman*

Paul Milburn, *Shawnee*

Melinda Miles, *Geary*

Cara Nicklas,  
*Oklahoma City*

Rick Riddle, *Tulsa*

Richard Small, *Tulsa*

Rev. Craig Stinson,  
*Oklahoma City*

Ed Sutter, *Alva*

Dr. Kevin Tully, *Bartlesville*

Rev. David Wiggs, *Enid*

John Williford, *Bartlesville*

Denver Woolsey, *Edmond*

# Finishing the year strong

The equity markets finished 2010 strong, posting double digit gains for the second consecutive year. While the markets have not fully recovered from 2008, significant headway has been made.

The Foundation's investment committee has been very proactive with the portfolios this year. In June, the Foundation selected the General Board of Pension (GBOP) and Health Benefits of The United Methodist Church to manage the Foundation's investments. The GBOP provides a highly diversified investment strategy, outstanding long term investment results, transparency in reporting, and socially responsible accountability and control at a reduced cost over our previous managers. We are very pleased with the ease of the transition and the investment results. Since June, all Foundation investment funds have out-performed the broad markets. Investment fund performance is detailed below.



During the year, the Foundation received \$9.9 million in total contributions. These gifts, coupled with solid investment returns, bring the Foundation's total assets to \$167.6 million at the close of 2010.

We distributed more than \$12 million during the year; including more than \$10.3 million to United Methodist churches, agencies, institutions and donor-directed charities. More than \$1.7 million was distributed to donors with life income arrangements such as a charitable gift annuity or charitable remainder trust. Life income gifts provide current charitable contribution deductions, enhanced life income streams, and put in place a future endowment for a United Methodist ministry.

On the next page, you will find our 2010 Summary of Financial Statements. Complete financial statements and auditors' report are available upon written request.

**Billy Meade, CPA**  
**Controller & Treasurer**

## *2010 Investment Fund Performance*

**The Diversified Fund** seeks long-term capital appreciation and current income with a target asset allocation of 65% equities (includes hedge funds and real assets including real estate and natural resources) and 35% fixed income investments. This fund is used by accounts placed voluntarily at the Foundation for investment management and distributes net income monthly. As of December 31, 2010, the fund held investments valued at \$24.6 million and had an annual total return of 10.6 percent.

**The Endowment Investment Fund** invests the assets of our permanent endowments. The fund uses the same investment philosophy and asset allocations as the Diversified Fund, but utilizes a fixed spending policy, currently five percent a year. A fixed spending policy provides a relevant and predictable income stream to aid in ministry budgeting and planning. As of December 31, 2010, the fund had an annual return of 10.6 percent and held investments valued at \$99.4 million.

**The Fixed Income Fund** invests 100 percent of its assets in debt securities diversified across U.S. Government, Federal Agency obligations, corporate bonds and sovereign debt of non-U.S. countries. This fund is used by accounts placed voluntarily at the Foundation for investment management. As of December 31, 2010, the investments of this fund were valued at \$802,000 with an annual total return of 8.2 percent.

**The Short-Term Fund** is a cash management fund. There are no term requirements for the deposits to this fund. The investments are the AIM Group Prime Portfolio and short-term certificates of deposit. As of December 31, 2010, the fund had an annualized yield of 0.4 percent.

# The Oklahoma United Methodist Foundation

## 2010 Summary of Financial Statements

### Statement of Financial Position

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
Cash & cash equivalents	\$12,152,517	\$14,930,700
Certificates of deposit	14,074,000	21,000,000
Investments:	140,629,426	127,379,826
Net property & equipment	816,334	827,377
Interest receivable & other assets	<u>10,318</u>	<u>3,052</u>
<b>Total assets</b>	<b><u>\$167,682,595</u></b>	<b><u>\$164,140,955</u></b>
<b>Liabilities &amp; Net Assets</b>		
Accounts payable	\$49,084	\$2,927
Net assets held for benefit of others	<u>146,442,093</u>	<u>143,560,610</u>
Total liabilities	<u>146,491,177</u>	<u>143,563,537</u>
Net assets:		
Unrestricted	11,456,521	11,432,685
Temporarily restricted	2,007,541	1,751,732
Permanently restricted	<u>7,727,356</u>	<u>7,393,001</u>
Total net assets	<u>21,191,418</u>	<u>20,577,418</u>
<b>Total liabilities &amp; net assets</b>	<b><u>\$167,682,595</u></b>	<b><u>\$164,140,955</u></b>

### Statement of Activities

*(Including assets held for the benefit of others)*

	<u>2010</u>	<u>2009</u>
<b>Beginning Balance</b>	\$164,138,028	\$157,409,084
Contributions	9,943,525	5,540,614
Investment Income	14,505,745	13,872,698
Overhead Reimbursement	1,032,828	901,630
Other Fees	46,754	34,304
Distributions, withdrawals, transfers, & expenses	<u>(22,033,369)</u>	<u>(13,620,302)</u>
<b>Ending Balance</b> (excluding payables)	<b><u>\$167,633,511</u></b>	<b><u>\$164,138,028</u></b>

*Independent Auditors' Report Available Upon Request.*

# Prepare the way for future generations

When a church, institution or agency of the Oklahoma United Methodist Conference receives an estate gift, it is an amazing blessing and a reason to celebrate. The blessing of this final (and often greatest) act of stewardship

reflects the donor's love and concern for the mission and ministry supported. We celebrate the lives of these faithful stewards whose planning provides insight into what was really important in their lives.



As Christians, we are charged to change lives for Jesus Christ through faithful giving during our lifetime. We have all been blessed by the generations before us who prepared the way for the future of the church in which we serve today. The next important step is intentional planning for how we will leave a portion of our estate to make a difference in the lives of future generations of the

Oklahoma United Methodist Church.

We encourage Oklahoma United Methodists to ***Tithe Your Will***. Doesn't this make sense? If we tithe during our lifetime, shouldn't we leave a tithe of our estate to our church and other United Methodist causes? Of course, many leave more than 10 percent and some leave 100 percent.

The Foundation's newly expanded planned giving website provides a planning resource for you. The online Wills Planner is a step-by-step guide to planning your estate. You may complete the information about your family, estate, and goals using our secure online server. You can then save your information and provide it to your attorney to complete your estate plan. If you would prefer not to use our online planner you may order our printed *Christian Guide to Planning Your Will & Trust*.

Planning is important, and the Foundation is available to assist you in planning for your family, your favorite United Methodist ministries and other charitable organizations. Visit us at [www.okumf.org](http://www.okumf.org) and click on **Planned Giving**. You may also call us at 800-259-6863. We look forward to hearing from you. Thank you for your faithfulness and generosity!

**David Battles**  
Executive Vice President



# Worth the risk

A legacy is born out of passion and care for future generations. Mark and Linda Barnett and their two teenage daughters, Taylor and Brenden, are living out their legacy by giving and helping others.

“Our parents have taught us that giving means nothing unless you give joyfully,” said Taylor. “If it’s not from the heart, don’t do it because it means nothing.”

Mark and Linda’s choice to be faithful givers started early in their marriage. As with most young married couples, finances were tight, but they had a special family in their lives who stood as constant role models for what it meant to be faithful stewards and to give generously.

“Spud and Lola Widener took us in as adopted grandchildren,” said Mark. “They assured us as long as we were faithful in our tithing, everything else would always be taken care of.”

After seminary, Mark was appointed to Oklahoma City University as the director of religious life. During their time at OCU, Mark and Linda found a love for the students and the university. This season of life also brought the loss of Mark’s father, fellow clergyman Marcus Barnett and beloved friend Spud Widener.

“As a way to honor my dad and Spud and Lola, we establish the *Barnett-Widener Ministerial Endowed Scholarship* at Oklahoma City University,” said Mark.

A few years later they established the *Linda and Mark Barnett Scholarship Fund* through the Foundation. The fund provides scholarships for United Methodist camps and mission trips and funding for church building projects.

Mark and Linda make contributions to both scholarship funds a part of their regular giving, knowing lives will be impacted and changed. Recently Taylor and Brenden encouraged their parents to increase the family’s giving to the endowment funds.

“When we give to help others, we are blessed in return,” said Taylor. “We give out of obedience and God takes care of everything else.”

“Giving is worth the risk,” added Brenden. “We get a lot more out of it than what we actually give.”

*Mark is now the senior pastor at Wickline UMC in Del City, Oklahoma.*



# Giving beyond today

Randy and Helen Mitchell's love for children and children's ministries overflows from their daily lives to their ultimate stewardship plan. They know stewardship is more than putting a check in the offering plate each week, and live in a way where it is integrated into every aspect of life.

"Stewardship is our response to God's grace, it's all we have, not just our money," said Randy.

In reviewing their estate plan several years ago, Randy and Helen included a bequest for United Methodist Circle of Care. Helen is a long-time schoolteacher and Randy was also a teacher before being called into the ministry. It was a natural choice for them to include a ministry they love and support now in their will.

A bequest is a simple and easy way to give. It allows Randy and Helen to extend their stewardship beyond their lifetimes by helping continue the ministry of Circle of Care well into the future.

Randy, now senior pastor at Bixby First United Methodist Church shares with his congregation about stewardship being a full-life response. At previous appointments he and Helen openly shared about their tithing and estate plans from the pulpit and in small groups.

"People want to know we believe in what we talk about; that we have integrity," he said.

"I have a responsibility to keep stewardship and estate planning before the congregation; you never know when the opportunity will arise or when a seed is planted," he added.

---

The Foundation's *Christian Guide to Planning Your Will & Trust* will help you answer many questions about creating a will and prepare you to speak with your attorney. Having a will allows you to choose a personal representative who will carry out your wishes. A will also provides a way to remember persons and organizations you care about such as your United Methodist church or ministries. It is a way to continue your stewardship and provide for ministries you believe are important.

Call the Foundation to request your copy of the *Christian Guide to Planning Your Will & Trust*. You may also visit our website at [www.okumf.org](http://www.okumf.org) for our online Wills Planner.



# New opportunities ahead

A new building, new opportunities and a renewed vision for the future lies ahead for Checotah UMC. This summer the church will open the doors of their new education facility, reception hall, and remodeled sanctuary.

The church began dreaming about the new facility after a tornado and subsequent water damage destroyed their nearly 50 year-old education wing. The lack of space left the church severely limited in serving their community through ministry and outreach offerings.

“To many of our members, the building project was common sense; the church needed the space for ministry,” said Rev. Wayne Loftin, the church’s senior pastor.

The church’s memorial fund kick-started the building campaign and now members give to the fund when someone passes away.

“Church members choose to honor those who have passed on by making an investment in the future of the church,” said Loftin.

The church used the Foundation’s short-term fund to hold their building fund contributions and sought advice from the Foundation for building and funding options.

Mike Wiley, the Foundation’s senior advisor, met with church leaders in the planning process to go over funding and safe debt limits for the project.

“Mike presented reasonable options for how to proceed with the project and really opened our eyes to the future of the congregation,” said Mike Stidham, the church’s administrative board chair and longtime church member.

“Our members want to see the church survive another 100 years,” Loftin added.

“We haven’t even reached the tip of our potential yet. We are already exploring possibilities for the new space for after school programs, support groups and other community outreach programs,” he continued.

*Mike Wiley specializes in church finance and loans, building projects, and church growth. He works with churches across the state on how to best utilize their resources to service their congregations and communities.*



# EQUIP the local church

Allison Offield, ministries coordinator at Centenary United Methodist Church in Lawton had a dream for her church's members to fully understand giving and stewardship.

This dream began with a short conversation with a friend. The friend's daughter asked that a tithe of her money from the tooth fairy be put in the offering plate at church. At a young age the child already knew the importance of giving, even something as small as her money from the tooth fairy.

"I could see giving was ingrained into the identity of this church and its members," said Allison. "My friend said her church regularly offered Financial Peace University which dramatically helped their family and many others."

Allison began to look into *Dave Ramsey's Financial Peace University* (FPU) at the same time the church received information about the Foundation's newest program, EQUIP.

Allison and the church's senior pastor, Dr. Norma Gravley-Quinn brought a large group to the Foundation's EQUIP training last spring and began their first FPU class not long after.

"We had 36 individuals complete our first class, and we offered three additional classes last fall," said Allison.

Participants varied in the level of indebtedness. Some had no debt at all or only their home mortgage; others had credit cards, auto loans and student loans. However, nearly all participants wanted to learn how they could improve their current financial situation, save more and give more.

"The small group discussion really allowed our participants to grow as a community and provide accountability and support for their financial goals," said Allison.

"We recognize this is a needed and valuable program," she continued. "As long as there is a need and desire, we will continue to offer FPU."

The Foundation began encouraging churches to offer personal financial literacy classes several years ago at the request of church leaders and pastors who saw the need in the local church. EQUIP goes a step further and encourages churches to offer FPU to their members and communities. The program combines the 13-week personal finance class, a five-week sermon series, Sunday school curriculum, as well as prayer and promotion teams.



# The Oklahoma United Methodist Foundation Staff



**Bill Junk**  
President



**David Battles, CPA**  
Executive Vice President



**Billy Meade, CPA**  
Controller &  
Treasurer



**Janet Battles, CPA**  
Director of Accounting



**Loyce Gandy**  
Secretary



**Barbara Gayle**  
Administrative Assistant



**Cindy Jones**  
Systems Analyst



**Dale Levy**  
Planned Giving Officer



**Pamela Morton**  
Receptionist



**Andy Oden, APR**  
Director of Foundation  
Relations



**Kristin Van Nort**  
Communications  
Coordinator



**Mike Wiley**  
Senior Advisor





**THE OKLAHOMA UNITED METHODIST FOUNDATION**

4201 Classen Boulevard, Oklahoma City, OK 73118

800-259-6863 [www.okumf.org](http://www.okumf.org)

© Copyright 2011

Kristin E. Van Nort, Editor