



Independent Presbyterian Church Foundation

Birmingham, Alabama

2016 ANNUAL REPORT



Our Mission

The Independent Presbyterian Church Foundation is a public charity established by the IPC congregation. It encourages and receives contributions, invests funds and seeks innovative and responsive ways in which its assets may serve Christ's church, the community and the world.

March 27, 2017

Dear IPC Church Members and Friends:

2016 was an incredibly busy year at the Foundation. Every committee met multiple times throughout the year, and all were very productive. If I had to choose an area where we really rocked, it was in development. We began promoting the Henry M Edmonds Society in 2015, and by the end of 2016 we had over 82 members. Long term, this is great news because it means we have a solid baseline of members who have planned legacy gifts pledged to IPC or community ministries. Wouldn't it be wonderful if everyone agreed to be a member of the HME Society? There's no minimum or maximum requirement – you just need to formally name the IPC Foundation as the beneficiary of a planned gift. It's that simple!

This year was an exceptional year for active duty for several of us at The Foundation. Foster Cook, Bill Carl and I had the opportunity of a life time to go to Rwanda on an exploratory mission trip. This trip was a collaborative effort between IPC, Samford University (including Betsy Holloway and her daughter Bebe), and several members from the Church of the Advent. As a result of the trip, the Foundation has approved funding for a follow up mission trip to Rwanda for IPC church members in July 2017.

As usual, our grants committee was very active this year overseeing total disbursements of \$2.3 million. It was actually a challenging year simply because our funding for the annual grants process was relatively flat, but requests were up \$571k or 23%. Despite these challenges, we were



TO GLORIFY GOD

...In Service

able to fund several new grants, including the Open Door and UKirk, both being IPC strategic initiatives. See the Focus on Grants section where these organizations are featured along with CURE International and Presbyterian Home for Children. We are also highlighting several Unitized Funds that support Youth Activities at IPC. You will see how the Clinton Williams Taylor, Alyson Butts and Jeanne Isaccs Funds are instrumental to our Christian Education ministry team.

I am also very pleased to announce another new fund: The Dave and Jo Self Fund. Many of you knew and loved Dave, and his memory is forever etched at IPC through their generous giving to the IPC Foundation.

When reading this annual report, please pay special attention to the wonderful history surrounding the Foundation's mission as outlined beginning on page 9. I am constantly amazed by the many ways in which the IPC Foundation touches and affects people throughout the world, both at home and abroad. It reminds me of Matthew 7:7: "Ask, and it shall be given you; seek, and you shall find; knock, and it shall be opened to you." We encourage you to contact us anytime if you have questions about how The Foundation can help you or vice versa.

Denise W Moore
Executive Director

Inside

FOCUS ON GRANTS:

CURE International;.....	1
Presbyterian Home for Children.....	2
The Open Door	3
UKirk Birmingham.....	4
The Unitized Funds: Youth & Children.....	5

NEW FUND FOCUS:

Dave and Jo Self Fund.....	6
----------------------------	---

PRESIDENT'S REPORT..... 7

FOUNDATION OVERVIEW:

A History of Major Giving.....	9
--------------------------------	---

The Henry M. Edmonds Society.....	11
--------------------------------------	----

FUNDS OVERVIEW:

The Orlean and Ralph W. Beeson Fund.....	11
The Unitized Funds.....	12
The Life Income Fund.....	13
Funds Administered for Others.....	14
The Administrative Fund.....	14
Investment Performance and Fees.....	14
The Power of Endowments..	14
Independent Auditor Report	14

APPENDIX A:

2016 IPCF Grant Awards.....	15
-----------------------------	----

APPENDIX B:

Financial Information.....	16
----------------------------	----



... Cure
International saves
lives...

- OB/GYN services in a nation with one of the highest maternal and infant mortality rates in the world
- Specializes in family practice, general surgery, OB/GYN and pathology
- One of Afghanistan's only neonatal intensive care units
- More than 807,600 outpatient visits
- More than 29,100 life-changing procedures
- 31,800 babies safely delivered
- More than 50 graduates from medical training program
- Most of training program graduates remain in Afghanistan



Focus on Grants

Each year, the IPC Foundation awards IPCF grants for “the benefit of mankind, the education of youth, the relief of human suffering, and propagation of the Christian religion.” The Foundation also makes distributions from the Unitized Funds. Highlighted below are several stories told by grant recipients to deepen our understanding of the impact these grants have on the world and its people. A description of the grant making process can be found in the Funds Overview section beginning on page 11.

CURE International is deeply grateful for the Independent Presbyterian Church Foundation’s longstanding support of the CURE International Hospital of Kabul (CURE Afghanistan). This partnership has helped to advance women’s and children’s health initiatives in Afghanistan by providing high-level maternal and pediatric care and by training national physicians, nurses, and other health care professionals to do the same.

This work continues to be critical, as Afghanistan’s decades of war and isolation from the rest of the developed world have taken an enormous toll on the health sector. According to the World Health Organization, there are only 2.1 physicians for every 10,000 Afghans; to put this in perspective, the ratio of physicians to people in the United States is more than 10 times that of Afghanistan’s ratio. Consequently, maternal and infant mortality in Afghanistan is among the highest in the world. Afghan mothers are at least 200 times more likely to die during childbirth than from bombs or bullets; one in 11 Afghan women will die from pregnancy or childbirth complications; and nearly one in six children will die before their fifth birthday.

By offering OB/GYN services and training practitioners, CURE aims to improve the quality and accessibility of this care for women and children throughout the country. CURE Afghanistan opened in 2005, specializing in family practice, general surgery, obstetrics and gynecology, and pathology; it also houses one of the country’s only Neonatal Intensive Care Units.

CURE Afghanistan continues training for family medicine residents, OB/GYN fellows, pathology residents, and general surgery fellows.

We are humbled by your partnership in making this work possible, and we welcome your prayers.

Presbyterian Home for Children

Transition to Adult Living (TAL) is a **Presbyterian Home for Children** ministry focused on helping young women ages 19-24 who are homeless successfully transition to adulthood. These ladies dream of rising above their past situations and leading lives without poverty, domestic violence, and neglect. Program participants are given group and individual training concerning budgeting, financial aid, job interviews, and safe boundaries within relationships. We meet each young woman where she is on her life journey and assist her in mapping out and reaching her goals.

The program provides opportunities for these women to volunteer in the community, as well as on campus at the Presbyterian Home for Children. Volunteering four hours a month is required. It not only helps agencies, organizations, and individuals in the community, volunteering also allows residents to learn valuable skills and employment opportunities.

Transition to Adult Living

- These women are no longer available to receive assistance through foster care system at the age of 18
- Helps women ages 19- 24 transition into adulthood from foster care system
- Budgeting, financial aid, job interview and relationship classes

"... meeting young women on their journey and helping them reach their goals..."

Chelsie Little has benefitted from volunteering at the Presbyterian Home for Children. She is a junior at Talladega College majoring in Psychology. Her major makes her a great volunteer for children because she has an understanding of child development and she has a great personality. She has worked well with the children and now has the opportunity for employment at Ascension Leadership Academy's After School Program as an instructional assistant.

Chelsie's volunteering has encouraged other residents to seek opportunities with children, hoping that it would also lead to a job. The TAL Director encourages each resident to do her best wherever she volunteers because she never knows the impact of how her volunteering may help others and how it may provide an unexpected opportunity. However, the main principle the TAL program hopes to teach each TAL participant is that volunteering gives our residents an opportunity to feel good about themselves and it provides a valuable service to the community and the Presbyterian Home for Children.





The Open Door

- GED classes Monday through Thursday from 9 am - 1 pm
- Adult Basic Literacy classes Tuesday and Thursday from 10 am - 12 pm
- ESL classes Tuesday and Thursday from 9 am - 11 am
- Classes are free
- On-site childcare provided
- Currently 12 GED students, 7 ESL students and 7 basic literacy students



The Open Door

In September of 2016, a two-year process of dreaming and planning came to fruition in the opening of this newest outreach ministry of Independent Presbyterian Church. **The Open Door** deepened the strategic priority of Community Ministries at IPC to focus much of our local mission on the neighborhoods of Kingston and North Avondale, the area of Birmingham where the children of the IPC STAIR site and the Children's Fresh Air Farm Summer Learning Program live with their families. We are deeply grateful to the IPC Foundation for awarding The Open Door with a generous grant in early 2017 to continue this important new ministry.

The Open Door is a resource center located in the Kingston neighborhood at 801 46th Street North, 35212, in the JCCEO building. We currently offer Adult Basic Literacy, English for Speakers of Other Languages (ESOL) and GED classes. IPC offers these programs in partnership with the JCCEO, The Literacy Council of Alabama and Jefferson State Community College, which has included our site in their GED grant, providing us with a GED instructor and the licensing for the GED curriculum.

Jeff State instructor Jody Stewart currently leads 12 students in the GED classes. These classes take place in a computer lab with a individualized curriculum. Adult Basic Literacy currently has seven students enrolled for one-on-one tutoring with trained literacy volunteers, including several from IPC. Currently, we have two different ESOL classes: a Beginning class for those who speak very little English and are hoping to gain English language skills to improve their employment possibilities and to be able to function more easily in American culture. IPC member Dr. Ed Wilson leads this class, and he currently teaches 6-7 students each week. In addition, IPC member Alice Christenson works with two people in a more advanced ESOL class to improve their fluency. Most of our students in ESOL come from Spanish-speaking backgrounds from several different countries including Mexico, Guatemala, and Colombia. We recently gained an Arabic speaking student from Dubai in the Beginning English class.

The Foundation grant and other IPC funding provides a security guard, as well as free childcare for all of our classes provided by two childcare workers hired by IPC. We pay JCCEO for a share of the utilities and phone bill, housekeeping and IT services. We provide a leased copier, office and childcare supplies and a Hospitality Center to offer our students snacks, coffee and tea while they participate in our programming.

UKirk Birmingham

A year and a half ago, a vision for PCUSA campus ministry in Birmingham began to take shape. It started with Caleb Carter – a sophomore transfer to UAB who longed for a place where he and his friends would be welcomed and challenged to think for themselves; a ministry rooted in the Reformed tradition and connected to the Presbyterian Church (USA). At the same time, a group of pastors saw a need for a new kind of religious presence on local campuses. The Spirit planted the seeds of this vision and brought Caleb and the pastors together. Now, thanks to the blessing and encouragement of the Presbytery of Sheppards and Lapsley, the passion and leadership of UAB students, the missional engagement and efforts of seven partner churches, and – perhaps most importantly – the faithful investment and support of the IPC Foundation and the Executive Council of the Presbytery, UKirk Birmingham not only exists to serve students and other young adults in the city, but is poised to grow into a strong, dynamic, and sustainable ministry!

The group of students and pastors have been playing catch-up to the Holy Spirit. The students have met for worship, fellowship, study, and service – including serving the women and children of First Light shelter and engaging with interfaith dialogue on UAB's campus. While they forged ahead, the pastors worked to establish a structure and secure funding to ensure that this ministry would be sustainable. Without the IPC Foundation's gift, the Presbytery would not have been able to call Rev. Patrick Harley to be the UKirk Campus Pastor to serve the students at UAB and to expand the reach of the ministry to other campuses. Rev. Harley is a graduate of Auburn University and Columbia Theological Seminary in Atlanta; he served as the solo pastor of Ottawa Presbyterian Church in Ohio prior to answering the call to come to Birmingham. Thanks to the Foundation, Patrick began his ministry here in March 2017 and is already getting to know students, building a network of support, and planning for the fall so that UKirk can flourish and grow.

College is a tumultuous time of identity formation as students ask tough questions about who they are and what they are called to do and be. The church must be present and engaged, and therefore able to guide and encourage young adults during this formative stage of their lives. The IPC Foundation's investment in UKirk Birmingham ensures a new generation of students in our city will be connected to local churches, supported by a pastor rooted in the reformed faith, and will develop a durable faith to serve them their whole lives long. Thanks be to God!

UKirk Birmingham

- Started with one UAB student and a group of pastors
- Campus ministry for college students in the Birmingham area attending UAB, Samford University and Birmingham-Southern College
- Rev. Patrick Harley called to serve as first UKirk Campus Pastor
- Students already meeting, worshipping and serving



The Unitedized Funds

Youth and children's ministries at IPC are blessed with several special funds honoring special people that benefit IPC children and teens. In June 2016, middle and high school students traveled to Mobile, AL to serve with the homeless outreach ministries of Government Street Presbyterian. They experienced firsthand what it means to live in to Jesus' call to serve the poor. This inspiring trip was partially funded by the Clinton Taylor Memorial Fund. The fund honors the memory of Clinton Taylor, a young person who loved and was loved by his church, and his leadership and participation in the youth ministry.

Additionally, funds from the Alyson Butts Fund helped provide scholarships to send several youth to the Montreat Youth Conference in Montreat, NC in July 2016. The theme of the conference was "A World of Difference," and the students enjoyed a week of getting to know other Presbyterians through worship and small groups. The Alyson Butts Fund was created to honor Aly's years of extraordinary service to IPC as Director of Youth Ministries. Aly's love of Montreat was contagious, and the tradition of sending a group to this conference each year continues to be a high point of the youth ministry at IPC.

Finally, the Jeanne Isaacs Fund honors the service of IPC's beloved Director of Christian Education whose life and ministry were cut short but leave a large legacy of faithfulness, creativity and enthusiasm. Jeanne loved doing things on a grand scale, and IPC's Bible Times Marketplace is a vacation Bible school like no other. The kids are placed in groups representing the 12 tribes of Israel for a week filled with drama, crafts, storytelling and wonder. To make this incredible week happen, our Children's Ministries staff are ably assisted by teenage tribal assistants, volunteers and tribal parents. This annual summer event takes place at the Children's Fresh Air Farm and funds from the Jeanne Isaacs Fund go to support this ministry. We are pleased that our grant is making such an important impact on the lives of these children.

Clinton Williams Taylor Fund

- Partially funded IPC Youth mission trip to Mobile, AL
- Youth served the homeless population through Government Street Presbyterian

Alyson L. Butts Fund

- Helped provide scholarships to 2016 Montreat Youth Conference

Jeanne Isaacs Children's Ministry Fund

- Supports Bible Times Marketplace at Children's Fresh Air Farm
- Annual vacation Bible school places children into the 12 tribes of Israel for worship, drama, storytelling and crafts



New Fund Focus

William David Self died on March 7, 2016, after a long, courageous battle with cancer. With his wife Jo by his side, Dave spent many months away from home receiving chemotherapy treatments in Arkansas and New York. Even though Jo and Dave were many miles away for long periods of time, they were always in our thoughts and prayers. The Discoverers Sunday School class, in particular, offered them comfort and spiritual support.

It is also true that IPC was always in Jo and Dave's thoughts and prayers, too. Well over a year before he died, Dave contacted the Rev. Bobbie Epting, the Director of Stewardship and Development at IPC, to start making plans to establish the Dave and Jo Self Fund with a beneficiary gift from his will. The purpose of the Fund is "to provide financial support for local programs sponsored or supported by the Community Ministries Department of Independent Presbyterian Church, such as the food pantry and educational programs for under-privileged children." The purpose, stated in such simplicity, hardly conveys the possibilities which lay ahead for the adults and children who will benefit from this gift and for the Foundation as it helps this gift grow.

"Success is found in being happy and loving yourself, but loving others more."

One needs only to open Dave's Bible to gain insight into his faith and service. Among the Bible passages marked as his favorites were: "faith without works is dead" (James 2:26), "love the Lord your God with all your heart, and with all your soul, and with all your mind, and with all your strength and love your neighbor as yourself" (from Mark 12:29-31), and "love one another....by this everyone will know that you are my disciples, if you have love for one another" (Mark 13:34-35).

In 2009, Dave wrote a Christmas letter to his family about "things I believe in." The last category was about success. The last entry was "Success is found in being happy and loving yourself, but loving others more." While Dave was by all measure a successful man in business, he was by all measure even more successful at living, serving and loving his God and his neighbor. Through the generosity of Dave and Jo Self, our neighbors will be blessed.

The Dave and Jo Self Fund

- Financial support for local programs sponsored or supported by Community Ministries of IPC



2016 Board of Directors

Susie Abbott, Vice President

Susan Clayton, Community
Ministries Director

William J. Carl, III, Senior Pastor

Stan Cash

Lydia Cheney

Foster Cook, President

Houston Cook

Bryson Edmonds

Mike Graham

Marsha Harbin, Foundation Support

Penney Hartline

Jimmy Holloway

Denise W. Moore, Executive Director

Ruffner Page

Foots Parnell

Pat Pelham

Fred Smith

David Turner, Secretary/Treasurer

Lucy Turner, Exec. Associate Pastor

Lyda White

2017 New Members

Beth Adams

Bud Keller

Donna Smith

Financial Highlights

- \$615,030 in contributions
- \$2.3 million in distributions and grants
- \$62.95 million in endowment assets
- 6.96% investment return

IPC Foundation 2016 Annual President's Report

Our Purpose

The purpose of the Foundation is to extend IPC's ministries through the use of endowments.

The Year in Review

The **Grantmaking Committee** oversees distribution of funds, including IPC grants and small grants. In 2016, the committee chaired by Lydia Cheney:

- Awarded \$2.3 million from 36 funds, with 71.5% directly impacting the Birmingham Community and 23.3% helping third world countries.
- Partnered with IPC's Community Ministries Grants Subcommittee to conduct the annual IPC Foundation grants cycle. Reviewed 94 applications (24 from new applicants) and awarded 77 grants for \$1.8 million, 60% of the amount requested and 1.7% more than last year. The grants will be distributed in early February.
- Continued funding the SAIL (Summer Adventures in Learning) program for \$147,000. IPCF is 1 of 12 funders across the Birmingham Area with combined awards totaling \$937,500.
- Managed the Youth Grant team charged with researching and recommending distributions totaling \$10,000.
- Awarded \$168,000 from small (30 grants) and emergency (1 grant) funds throughout the year.

The **Finance Committee** actively oversees financial matters, with its major focus being the investment of Foundation endowments. In 2016, the committee, chaired by David Turner:

- Met quarterly with the Foundation's investment advisors and reviewed investment performance compared to benchmark, monitored asset allocation, reviewed manager performance and fees, and discussed industry outlook.

- Reviewed and set spending policy for 2017.
- Received the annual financial audit, which had no findings.

The **Development Committee** oversees efforts to publicize the Foundation and grow the endowments. In 2016, the committee, chaired by Stan Cash:

- Promoted the Henry M Edmonds Society (HME Society) through informational meetings, bulletins, and various online messages. Added 32 new HME Society members for a total of 82 members
- Hosted Foundation Sunday in January with two guest speakers who are members of IPC and Beeson grant recipients.
- Published the 2015 Annual Report.
- Placed several Foundation related articles in The Window.
- Worked with Rev. Lucy Turner, Director of Stewardship and Development, to bring in \$615,030 of gifts to the Foundation.
- Activated one new fund, The Dave and Jo Self Fund.

The **Governance Committee** handles matters which span multiple committees. In 2016, the committee chaired by Foster Cook:

- Nominated 2017 officers and proposed new directors to replace those whose terms end in 2017



**Foster Cook, 2016 President
The Independent Presbyterian Church Foundation**



The Independent Presbyterian Church Foundation encourages and receives contributions for the endowment of the Independent Presbyterian Church, invests its funds to accomplish the donor's intentions, and seeks innovative and responsive ways in which its assets may serve Christ's church, the community and the world.

– IPC Foundation Mission Statement

First Fund

IPC's first endowment began when Robert R. Meyer made a matching grant in 1943. The Meyer Fund still supports the Children's Fresh Air Farm.



Overview of the Foundation

The Independent Presbyterian Church (IPC) Foundation is a 501 (c) (3) corporation formed in 1973 in Birmingham, Alabama. The purpose of the Foundation is to extend IPC's ministries through the use of endowments.

A History of Major Giving & Fund Creation

The early years of IPC were devoted to building and beautifying the church and the Children's Fresh Air Farm. This work absorbed all available funds, as well as requiring a mortgage of \$150,000. When the Depression came, repayment had to be deferred. This phase of our history ended in 1943; a pledge of \$50,000 by Robert I. Ingalls generated a swell of enthusiasm, and a congregational dinner was held to secure the additional pledges needed to retire the debt. The instruments of indebtedness were burned at the annual congregational dinner on January 19, 1944.

From its early days, the Children's Fresh Air Farm attracted support from within IPC and from the community at large. The primary benefactor was Robert R. Meyer, not an IPC member but a friend of Henry Edmonds. Mr. Meyer underwrote much of the Farm's annual operating expenses and purchased the property for the Farm. Later he made two gifts to provide permanent support. First, he pledged \$50,000 in 1943, subject to IPC's contribution of an additional \$25,000. Then, through his will in 1947, he gave \$75,000, subject to IPC's contribution of another \$25,000. This sum of \$175,000 formed the initial balance of the **Robert R. Meyer Children's Fresh Air Farm Fund**.

IPC's second endowment came in 1961, when the **C. Eugene Ireland Fund** was established to hold bequests of C. Eugene and Annette Ireland, which totaled \$883,000. The Irelands suggested several causes to be supported by the Fund, but left responsibility for this decision with IPC.

Between 1982 and 1984, IPC received the seed gifts that became the **Orlean and Ralph W. Beeson Fund**. The Beesons gave \$540,000 during their lifetimes, and added bequests that brought total contributions to \$18.6 Million. The Beeson Fund is devoted to "the benefit of mankind, the education of youth, the relief of human suffering, and propagation of the Christian religion." In 2001, the Trust was reformed to allow the Trustee to allocate some portion of principal growth each year to income thereby calculating distributions based on a "total return" approach. Due to inconsistencies in the Testamentary Documents as reformed in 2001, the administrative provisions of the Trust were restated in 2014 into a single document to provide a clear and concise statement of donor's binding intent.

The **Children's Fresh Air Farm Capital, Program, Maintenance, and Development Fund** was established in 1987 by an anonymous donor with an initial gift of \$500,000. Additional donations from the donor's family totaling \$6,387,118 have since been received. The Children's Fresh Air Farm is the primary beneficiary, but the Fund also provides support to IPC.

By 2002, the number of funds had grown, several of them having similar purpose and smaller balances. Seven of these funds were consolidated for efficiency. At that time, the threshold for a fund was set at the current level of \$25,000. Since that time, 19 additional funds have been created. See page 13 for a complete list of unitized funds.





The Henry M. Edmonds Society

The Henry M. Edmonds Society (HME Society) recognizes those who have named the Independent Presbyterian Church Foundation as a beneficiary of a planned gift. Named in memory of Dr. Henry M. Edmonds, the founding pastor who led the church from 1915-1942, the Society encourages gifts to the Foundation that support the mission and ministries of the church. Anyone who informs the Foundation in writing that the Foundation is included in his/her estate plan will be a member of the HME Society. In 2016, the HME Society added 32 new members and has a total of 82 members at March 31, 2017. For a list of members and information, please visit our website.

Funds Overview

During 2016, grants were awarded and distributions made totaling \$2.3 million from Foundation endowments. Below is a summary of the major funds.

The Orlean and Ralph W. Beeson Fund

The Orlean and Ralph W. Beeson Trust is devoted to the “benefit of mankind, the education of youth, the relief of human suffering, and propagation of the Christian religion.” While the Beeson Fund is closed to contributions, the Yarbboro Fund is open to new contributions. The combined income is used in the grants process described below. At the end of 2016, the Beeson Fund’s assets totaled \$46.1 Million.

IPCF Grant Processes

The primary grants process, known as the **IPCF Annual Grants**, is carried out jointly by the Grantmaking Committee of the Foundation and the Grants Subcommittee of IPC’s Community Ministries Committee. Grant applications are evaluated in the summer and fall, and site visits are made where feasible. Grants are approved at the November meeting of the Board and distributions are made the following February.

IPCF Scholarship Grants provide financial aid to students at Protestant Christian theological seminaries and small Protestant colleges and universities. Applications from school admission directors for needs-based financial aid are accepted at any time; responses are given within 30 days. The Foundation maintains a reserve for **IPCF Emergency Grants** to respond to needs too urgent to await the Annual Grants cycle.

2016 IPCF Awards

- Totaled \$1,882,325 (see Appendix A)
- 58% of the amount requested.

Finally, the Foundation recognizes that smaller needs do not justify the effort of a formal grant application. Accordingly, **IPCF Small Grants** are awarded monthly in a streamlined manner.

2016 IPCF Grants Summary

IPCF grants provide support to people in the United States, Central and South America, Africa, Europe, and Asia. Each grant has a story attached: of feeding the hungry, of educating the needy, of healing the sick, of caring for widows and orphans, of lifting the oppressed, and of spreading the Good News to a troubled world.

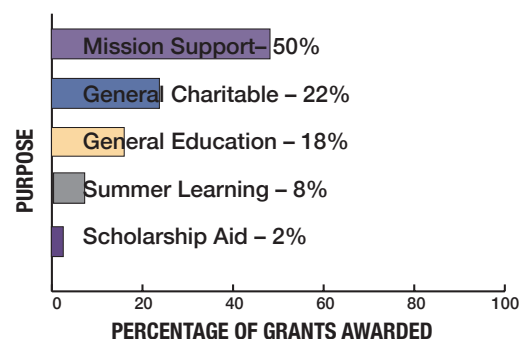
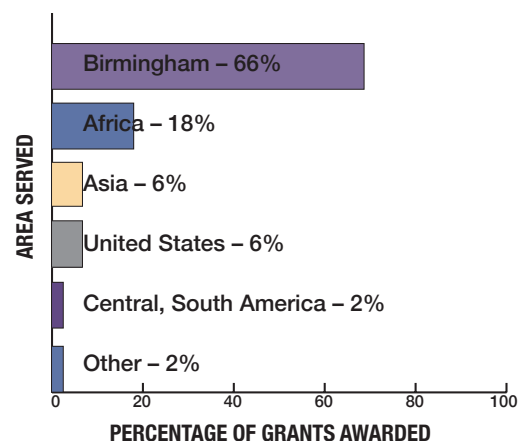
Income is distributed in accordance with the 2014 Restated Trust across the following categories: Scholarship Aid to Protestant Christian Theological Seminaries and Small Colleges or Universities associated with the Protestant Christian Faith, organizations providing medical care and services to the indigent, agencies and organizations for general charitable purposes, and a limited portion to miscellaneous charitable organizations or entities, including IPC.

The Unitized Funds

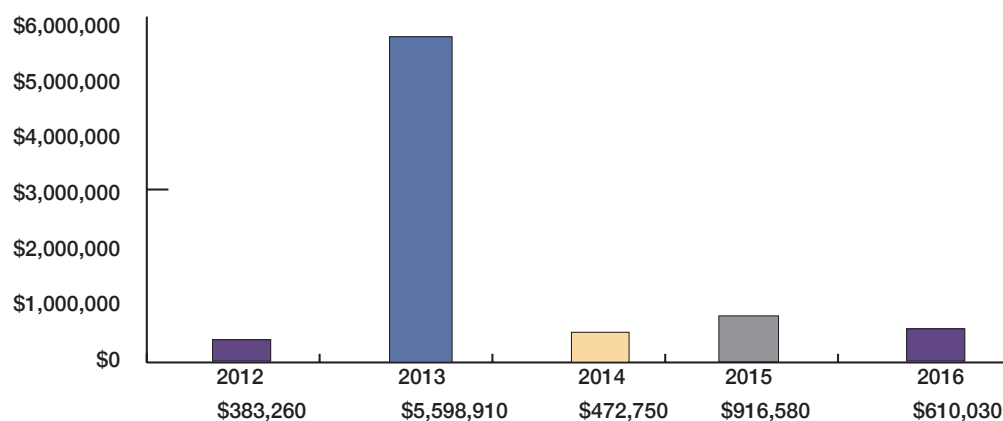
The Unitized Funds comprise 34 separate funds with net assets of \$16,239,358 at December 31, 2016. Earnings from the funds support programs at IPC, Kirkwood by the River, STAIR, and other programs based upon donor guidance. Combined distributions in 2016 were \$420,860.

As shown below, contributions remain strong totaling ~ \$8,000,000 over the past five years.

2016 IPCF GRANTS SUMMARY



ANNUAL CONTRIBUTIONS TO IPC ENDOWMENTS



Fund-by-Fund Contributions, Distributions and Fund Balance for year ending 12/31/2016

	Year Formed	Contributions	Distributions	Market Value
<u>The Unrestricted Funds</u>				
Covenant Fund	1982	\$151,105	\$26,324	\$1,597,754
M. Scott McClure Fund	1997	\$0	\$620	\$27,454
<u>The Community Ministries Funds</u>				
Robert R. Meyer CFAF Fund	1943	\$0	\$54,180	\$1,815,440
CFAF Campship Fund	1949	\$0	\$23,280	\$773,243
CFAF Capital Development Fund	1987	\$0	\$203,840	\$7,448,370
C. Eugene Ireland Fund	1961	\$0	\$39,170	\$1,316,993
Children's Fresh Air Farm General Fund	2002	\$0	\$3,620	\$124,651
Yarboro Community Ministries Fund	2006	\$172,534	\$24,100	\$1,207,593
Lydia C Cheney Fund	2011	\$15,000	\$2,380	\$97,349
Sue Aldridge Newton Fund	2012	\$0	\$1,680	\$57,884
Children's Christian Education Fund	2012	\$0	\$2,920	\$100,523
Dave and Jo Self Fund	2016	\$150,000	\$0	\$154,612
<u>The Music & Fine Arts Funds</u>				
Steele Memorial Fund	1982	\$100	\$2,740	\$94,423
Caroline Nissly Stayer Choral Music Fund	1984	\$1,915	\$160	\$7,426
Joseph and Betty Schreiber Performance Fund	1998	\$475	\$0	\$30,443
Religious Arts Festival Fund	2000	\$0	\$2,750	\$94,691
<u>The Christian Education Funds</u>				
Nabers Christian Education Fund	1984	\$0	\$840	\$29,086
Margaret M. McClure Library Fund	1995	\$0	\$1,210	\$53,787
Paul Romjue Focus on Faith Fund	2000	\$100	\$2,300	\$79,246
Barbara Noojin Walthall Bible Study Fund	2003	\$0	\$3,100	\$106,692
Jeanne Isaacs Children's Ministries Fund	2005	\$0	\$1,700	\$58,391
Bessie Herron Lester Fund	2007	\$1,000	\$2,270	\$79,108
HERO Fund	2008	\$5,275	\$9,450	\$132,634
Alyson L. Butts Fund	2009	\$0	\$940	\$32,380
Clinton Williams Taylor Fund	2011	\$5,050	\$2,670	\$97,278
William W. Featheringill Technology Fund	2013	\$0	\$0	\$28,158
Jere White Children's Ministry Fund	2014	\$300	\$0	\$27,641
The Gerald J Pulliam Fund	2015	\$0	\$2,950	\$22,726
IPC Day School Endowment Fund	2015	\$1,350	\$0	\$56,783
<u>The Pastoral Care Funds</u>				
Pastoral Care & Counseling Fund	1985	\$0	\$1,370	\$47,066
Garnet Deramus Congregational Care Fund	2006	\$150	\$2,190	\$75,631
<u>The Facilities Funds</u>				
Katherine A. "Libby" Kidd Facilities Fund	2008	\$105,677	\$346	\$179,719
<u>Other Funds</u>				
IPC Educational Scholarship Fund	1967	\$0	\$0	\$27,664
Martha Steger Estes Fund	2004	\$0	\$1,760	\$60,650
Total Untized Funds		\$610,031	\$420,860	\$16,143,487

The Life Income Fund

The Life Income Fund is a "pooled income fund" as defined in Section 642 (c) (5) of the Internal Revenue Code. The Fund is established to hold gifts whose income is provided to one or more beneficiaries during their lifetime, and whose principal (known as the remainder interest) passes to IPC and/or related organizations thereafter. As of December 31, 2016, the asset balance was \$0.

Funds Administered for Others

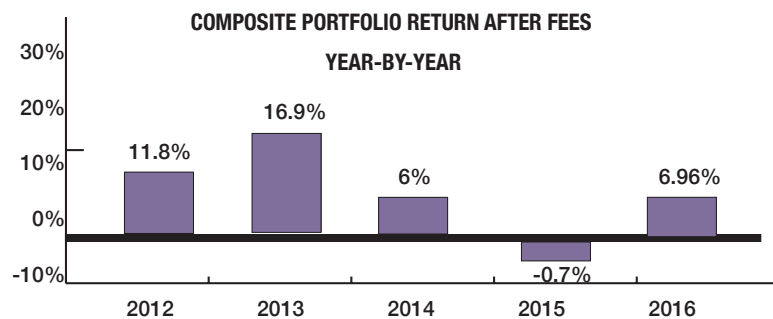
The Foundation administers funds on behalf of Boy Scout Troop 28. The Troop 28 Fund was established in 2008 by a gift of land from an anonymous donor. The Fund will support the mission and activities of Troop 28, which is chartered by the Boy Scouts of America with the Independent Presbyterian Church as the chartered organization. The Fund is open to receiving additional contributions and has net assets of \$366,478 at December 31, 2016.

The Administrative Fund

The Foundation maintains an Administrative Fund for the purpose of paying grants and distributions from the endowments as well as the administrative expenses of the Foundation. As of December 31, 2016, the asset balance in the Fund was \$211,945.

Investment Performance and Fees

The Foundation has a long-term investment horizon and maintains equity-market exposure through good and bad times, but strives to limit the impact of downturns. On balance, this approach has served us well. As shown below, the Foundation benefits from several years of positive returns. The investment return of 6.96% in 2016 exceeded the blended benchmark return of 6.11%.



The Power of Endowments

Endowments are truly gifts that keep on giving, as donations small and large combine to create permanent support. To illustrate, consider the Beeson Fund. The bequests that comprise the bulk of the endowment were received in 1988 and 1990. Since then, for each \$1.00 received:

- \$1.87 has been withdrawn to support the ministries specified by the Beesons
- \$2.46 remains in the Fund to generate income for future support of those ministries.



Administrative Costs

- 0.42% in 2012
- 0.42% in 2013
- 0.43% in 2014
- 0.42% in 2015
- 0.41% in 2016

Investment Fees

The IPC Foundation fees of .017% of assets are well below the average median for a foundation our size. For foundations of similar size, the fees are typically .50% of assets.

Independent Auditor's Report

The annual independent audit for 2016 should be complete by the end of August 2017, and the report will be posted to the website. The 2015 audit report provided by RSM LLP is available to view on the Foundation website.

Appendix A: 2016 IPCF Grant Awards

General Charitable	\$396,307	General Education, Continued	
Addiction Prevention Coalition	\$5,000	Samford University	\$4,000
Alabama Humanities Foundation	\$5,000	Spring Valley School	\$12,500
Alabama Symphony	\$5,000	STAIR	\$55,000
Alzheimer's of Central Alabama	\$4,800	Stillman College	\$11,974
Auburn University	\$7,500	Teach for America	\$45,000
BEAT (Bethel-Ensley Action Task, Inc.)	\$10,000	Tusculum College	\$5,000
B'ham Botanical Gardens	\$4,000	Union Presbyterian Seminary	\$4,000
Bigtime Ministries	\$3,500	United Way of Central Alabama	\$17,000
Birmingham Boy's Choir	\$3,000	Vanderbilt Divinity	\$4,000
Birmingham Southern College	\$3,500		
Birthwell Partners	\$7,500	Medical Services to the Needy	\$30,000
Boys & Girls Ranches	\$10,690	Alabama Ear Institute	\$5,000
Brother Bryan Mission	\$10,000	Cahaba Valley Health Care	\$7,500
Clerestory, Inc.	\$7,500	Children's of Alabama	\$6,000
Community Furniture Bank	\$42,500	Community Grief Support Services	\$3,000
Desert Island Supply Co.	\$3,000	Sightsavers	\$3,500
Episcopal Place	\$10,000	UAB School of Public Health	\$5,000
Exceptional Foundation	\$5,000		
First Light	\$75,000	Mission Support	\$936,584
FreshWater Land Trust	\$4,000	Bread for the World	\$10,000
Grace House Ministries, Inc.	\$7,500	Chalmers Center at Covenant College	\$5,000
Greater Birmingham Ministries	\$30,000	Cure International-Kabul	\$70,000
HICA!	\$15,000	Friends of Forman Christian College	\$10,000
Impact Alabama	\$7,500	General Board of Discipleship - UMC	\$5,000
Lifeline Children's Services	\$3,000	Good News Children's Education Mission	\$20,000
Magic City Harvest	\$5,317	His Kids Too!	\$20,000
Oak Tree Ministries	\$3,000	IPC - Community Ministries	\$297,270
Pathways	\$4,000	Kirkwood by the River	\$108,972
Presbyterian Home for Children	\$26,500	Living Waters for the World	\$12,500
Red Mountain Theatre Company	\$5,000	Make Way Partners	\$125,000
Shepherd's Fold	\$5,000	Marion Medical Mission	\$13,700
Society of St. Andrew	\$5,000	Medical Benevolence Foundation	\$40,000
The Foundry	\$2,000	Ministry of Hope - Lesotho	\$10,000
The Salvation Army	\$17,000	Mwandi UCZ Mission Hospital	\$20,000
Voices for Alabama's Children	\$5,000	Mwandi UCZ OVC Project	\$25,000
Workshops, Inc.	\$9,500	Outreach Foundation	\$37,000
YouthServe	\$7,500	Presbyterian Church in the Congo	\$6,000
YWCA	\$12,000	Presbytery of Sheppards & Lapsley - Ukirk	\$25,000
		Rivers of the World	\$10,000
General Education	\$372,434	Rwanda Exploratory Mission Trip	\$6,442
Alabama Possible	\$10,000	Rwanda Trade School	\$20,000
Assistance League of Birmingham	\$5,000	Sikuzu Borehole Project - Zambia	\$7,500
Better Basics	\$7,500	UAB School of Nursing	\$5,000
Birmingham Education Foundation	\$10,000	United World Mission	\$7,200
Birmingham Southern College	\$3,500	World Renew US	\$20,000
Cahaba River Society	\$17,500		
Construction Education Foundation of Al	\$12,500	Summer Learning	\$147,000
Cornerstone Schools	\$12,000	Antioch Missionary Baptist Church	\$9,000
Covenant College	\$3,000	Better Basics	\$6,500
Faulkner University	\$4,000	Birmingham Education Foundation	\$12,000
Foundations Early Learning & Family Center	\$12,500	Boys & Girls Clubs of Central Alabama	\$5,000
Girl Scouts of North-Central Alabama	\$5,000	Breakthrough Birmingham	\$15,000
Girls, Inc.	\$12,500	Camp Fire USA Central Alabama Council	\$1,000
Growing Kings	\$12,500	Entrepreneurial Ventures in Education, Inc.	\$11,600
Horizon School	\$10,000	Fresh Start Family Solutions	\$5,000
Literacy Council	\$10,000	Girls Inc	5000
Louisville Seminary	\$5,000	Grace House	3000
Maranathan Academy	\$7,500	IMPACT Family Counseling	\$5,000
Maryville College	\$15,000	Neighborhood Academy, Inc.	\$2,000
Mason Music Foundation	\$5,000	Norwood Resource Center	5000
McWane Science Center	\$5,000	Restoration Academy	\$5,000
Montreat College	\$4,000	Shelby County Education Foundation	5000
M-POWER	\$12,500	Urban Hope Community Church	\$7,900
Pittsburgh Seminary	\$960	Urban Ministry	\$15,000
PreSchool Partners	\$7,500	YMCA Alabaster	\$7,500
Restoration Academy	\$4,000	YMCA of Shades Valley	\$15,000
		Zion Spring Baptist Church	\$6,500
		Total Awards	\$1,882,325

Appendix B: Financial Information

FUND-BY-FUND BALANCE SHEET For The Year Ended December 31, 2016

	Administrative Fund	Beeson Fund	Unitized Funds	Troop 28 Fund	Total
ASSETS					
Cash and cash equivalents	\$101,945	\$1,113,039	\$853,596	\$0	\$2,068,580
Investments, at market	\$110,000	\$44,909,669	\$15,253,159	\$0	\$60,272,828
Accrued income	\$0	\$16,853	\$20,107	\$0	\$36,960
Land	\$0	\$0	\$0	\$387,000	\$387,000
Other receivables	\$0	\$79,044	\$109,624	\$0	\$188,668
Total Assets	\$211,945	\$46,118,605	\$16,236,486	\$387,000	\$62,954,036
LIABILITIES AND NET ASSETS					
LIABILITIES					
Funds due to/from other funds	(\$6,545)	\$0	(\$13,977)	\$20,522	\$0
Accrued expenses	\$8,985	\$1,665,101	\$11,105	\$0	\$1,685,191
Total Liabilities	\$2,440	\$1,665,101	(\$2,872)	\$20,522	\$1,685,191
NET ASSETS					
Unrestricted	\$209,505	\$0	\$3,268,404	\$0	\$3,477,909
Temporarily restricted	\$0	\$9,172,709	\$5,249,978	\$366,478	\$14,789,165
Permanently restricted	\$0	\$35,280,795	\$7,720,976	\$0	\$43,001,771
Total Net Assets	\$209,505	\$44,453,504	\$16,239,358	\$366,478	\$61,268,845
TOTAL LIABILITIES AND NET ASSETS	\$211,945	\$46,118,605	\$16,236,486	\$387,000	\$62,954,036

FUND-BY-FUND STATEMENT OF ACTIVITIES For The Year Ended December 31, 2016

	Administrative Fund	Beeson Fund	Unitized Funds	Troop 28 Fund	Total
REVENUES AND GAINS					
Interest and dividends	\$0	\$1,272,541	\$229,799	\$0	\$1,502,340
Contributions	\$5,000	\$0	\$610,031	\$0	\$615,031
Net unrealized and realized gains or losses	\$0	\$1,748,859	\$820,682	\$0	\$2,569,541
Returned grants and other income	\$65,315	\$0	\$0	\$0	\$55,215
Total revenues and gains	\$60,215	\$3,021,400	\$1,660,512	\$0	\$4,742,127
EXPENSES					
Investment management and trustee fees	\$0	\$53,389	\$45,901	\$0	\$99,290
Administrative expenses	\$244,313	\$0	\$0	\$373	\$244,686
Grants and other distributions	\$2,277,078	\$20,127	\$0	\$0	\$2,297,205
Transfer to another Foundation fund	(\$2,553,608)	\$2,082,381	\$471,227	\$0	\$0
Other distributions	\$40,298	\$0	\$0	\$0	\$40,298
Total Expenses	\$8,081	\$2,155,897	\$517,128	\$373	\$2,681,479
Change in Net Assets	\$52,134	\$865,503	\$1,143,384	(\$373)	\$2,060,648
Fund Balance (Beginning of Year)	\$157,371	\$43,588,001	\$15,095,974	\$366,851	\$59,208,197
Fund Balance (End of Year)	\$209,505	\$44,453,504	\$16,239,358	\$366,478	\$61,268,845



Shown: Cornerstone Schools, STAIR, Rwanda Mission, Presbyterian Home for Children, Make Way Partners, Workshops Inc., Rwanda Trade School, World Renew



INDEPENDENT PRESBYTERIAN CHURCH FOUNDATION
3100 Highland Avenue South
Birmingham, Alabama 35205

For more information about the IPC Foundation, contact:

Denise W. Moore, IPC Foundation Executive Director at 205.933.3705 or dmoore@ipc-usa.org
Rev. Lucy Turner, Director of Stewardship & Development at 205.933.3729 or lturner@ipc-usa.org
Dr. William J. Carl III, IPC Senior Pastor at 205.933.3710 or wcarl@ipc-usa.org