



2019 Management Report
Baptist Foundation of Illinois
December 31, 2019

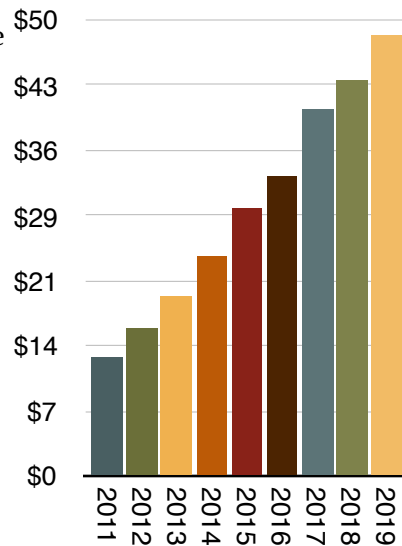
Baptist Foundation of Illinois encourages Illinois Baptists to respond, both individually and corporately, to God’s call of stewardship upon their lives, connecting them with ministry opportunities that transform the world with the Gospel of Jesus Christ.

That’s our mission. And at the core of our beliefs is the recognition that few things reveal more about the condition of the human heart than generosity. What we believe about money and how we manage these resources entrusted to us by the Father are a clear window into who we are and the true state of our surrendered hearts.

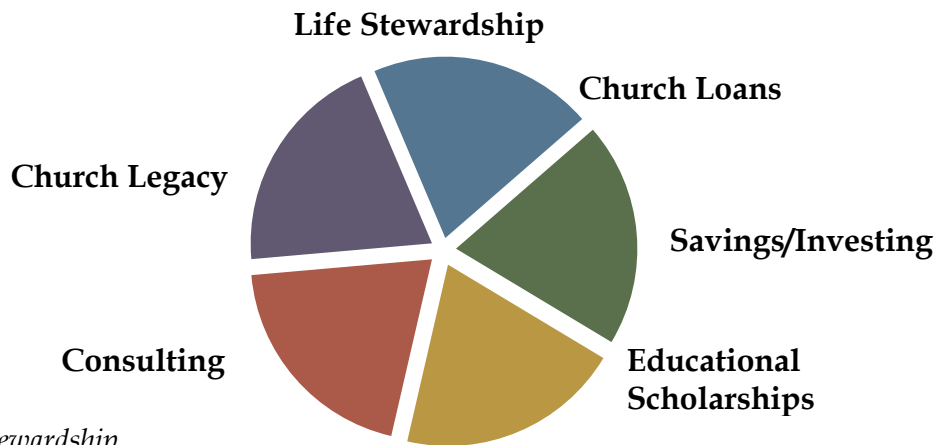
BFI expresses this mission in six areas or divisions. In the following pages, you’ll find each division described along with an update on our activities.

Undergirding these divisions are the administrative metrics – vital signs really – that provide the fuel for ministry progress. We’ll start there and then move into the six areas that are the focus of day to day operations. The following graph and table try to give clarity to the three key metrics that make the ministry possible.

- Total Funds Under Management: **\$48.28 Million**
- Annual Operating Budget Performance: **(\$5,914)**
- Operating Cash on Hand: **\$50,000 ops cash; \$122,114 ops reserve; \$40,787 vision leadership fund.**



Six Divisions – One Mission

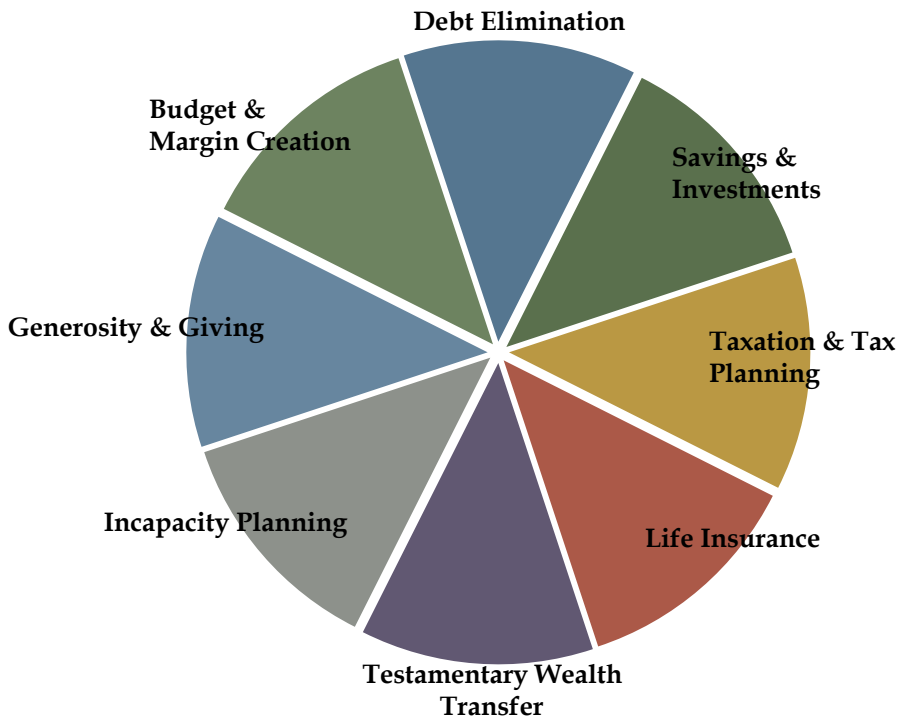


Life Stewardship

Generosity and great stewardship are not singular events. They are best developed and grown over a lifetime of obedience to God’s leadership in this essential area.

That's why BFI works with Illinois Baptists at almost every phase of their life to help them maximize their impact with the resources God has allowed them to manage. We help in three broad areas, each customized for the particular need and situation. Much of this work is done in close collaboration with IBSA churches.

- **Financial Advising:** focuses on the eight classic areas of financial advising, helping families make decisions and implement habits that provide for their needs, increase their generosity, and most of all, grow their commitment to discipleship. Of course, different areas are emphasized depending on each particular situation.



- **Donor Advised Fund Giving:** DAFs are an increasingly popular way for generous people to give to multiple causes (whether directly or anonymously) and to be prepared for unforeseen giving opportunities. A charitable deduction is created when the funds are received (whether cash, stock or other asset), but the donor retains the right to advise BFI where to distribute these funds.



During 2019, BFI has received \$108,660, distributed \$146,210 (a record) in DAF gifts, and holds a balance of \$35,758 in donor advised funds awaiting donor input. DAF funds are often family giving funds and can even span a generation with “successor” advisors named who can carry on a legacy of generosity.

John and Leah Honnen (with son, Owen) describe their participation in BFI's Life Stewardship program at IBSA's fall 2019 annual meeting.

- Christian Estate Planning: since United States based Christians tend to accumulate things during our lifetime, it's often in our estate that we are given the biggest opportunity to make an impact on both heirs and Kingdom Causes. In fact, it's been estimated that approximately 91% of the resources we manage are in these *non-liquid* forms such as retirement assets, real estate, and life insurance.



BFI will work with the 9 families who requested help in establishing Christian Estate Plans in early 2020.

BFI provides complimentary Christian Estate Planning service to Illinois Baptists who are interested in providing for both “kids and Kingdom” through their estates. In fact, each year BFI contributes more than \$300,000 to charitable causes from endowments created through this planning process. To date, more than 300 families have used this service and, collectively, will leave more than \$60M to support causes that are important to them. BFI maintains a video library of some of the families who have chosen to plan their estate with Christian giving in view. They can be viewed at BaptistFoundationIL.org/christian-estate-planning-giving/.



Harold & Mary Lou Cameron, long time Baptist leaders, recently deceased have provided scholarships for approximately 15 students since establishing their scholarship at BFI.

Educational Scholarships

BFI's scholarship program connects generous Illinois Baptists with Illinois Baptist students pursuing an Associate, Bachelors, or Seminary based degree. This year, BFI awarded just under \$80,000 to 37 students. 2020 projections are to distribute \$82,000 to 40 students.

Volunteers remain a significant area of help for the awarding of student scholarships. First Baptist Church of Woodlawn, IL hosted 24 volunteers from across the region to review and score more than 100 applicants. This review was essential to the awarding of the scholarships themselves.

A partial scholarship can be awarded perpetually with a \$5,000 gift investment. Full \$2,000 Bachelor level scholarships are generated annually with a \$50,000 gift.¹

Student applications can be submitted each year, January 1-31 at BaptistFoundationIL.org.

¹ BFI historic endowment returns have averaged more than 5%.

Custodial Saving/Investing

At the core of BFI's custodial investing division is the belief that *how* we invest the money God allows us to manage is important. Individuals, churches, and Baptist institutions all utilize BFI's investing services in cash management, term investments (such as BFI Bonds), and our Fixed Income options. Currently, BFI manages approximately 1,000 custodial (funds owned by others where BFI serves as manager) accounts and generates more than \$1,000,000 in interest annually for Illinois Baptist clients.

BFI offers a wide range of savings vehicles. The table below outlines our investment options and notes their historic yields.

	Annual Percentage Yield (APY)		Special Notes
Cash Management	.75% AP	.75% AP	
BFI Bonds (1-5 year)	1.25% to 4.25%	1.25% to 4.25%	
Church Loan Term Investments (1 MO to 2 Years)	1.65% to 2.55%	1.65% to 2.55%	Exact Rates Change Monthly
Fixed Income Pool	5.29%	5.01%	Average historic return last 8 years
Blended Fund	7.5%	7.16	New fund in 2019, target yield has been met first two quarters
Endowment	5.4%	5.08%	

BFI fees are approximately 1/2 those charged at a for profit investment house. All rates above are quoted *net* of fees (yield is quoted with fees already removed).

Church Capital Loans

Ailee Taylor, wife and church planting partner of Pastor Derick Taylor, at last year's IBSA Annual Meeting, spoke to the assembled crowd by noting that "sometimes a loan is more than a loan." In 2018, BFI helped Net Community Church acquire their building where they currently worship and we hope that for all our loan clients, BFI helps churches borrow wisely, inexpensively, and in a way that furthers Kingdom impact (i.e. interest goes back to Illinois Baptist savers).

In the first and second quarters of 2019, BFI has provided church building loans to the following churches throughout the state:



The St. James Community Baptist Church received a loan from BFI during the first half of 2019. They are currently under extensive renovations to better reach their community.

Calvary, White Hall
 Gabaon, Chicago
 Calvary, Decatur
 St. James Community, Broadview
 North Side, Grayville
 Simpson Missionary, Simpson
 New Hope, Como
 Mt. Carmel Children of God, Chicago
 Calvary, Hillsboro

Church Legacy Program

I was recently reminded that the greatest church planter in recorded history, the Apostle Paul, who prolifically planted churches through the middle east and Asia Minor, could not this day point to a single church that is still in existence. And yet, those churches, so essential to the growth of the church around the globe, have a joyous and enduring legacy. Much of our own spiritual heritage can be traced back through the work of these early church plants!



Paradise Baptist Church in Tamaroa, a BFI Church Legacy location.

For churches that have discovered that their season of active meeting has passed or will soon end by necessity, BFI initiated the Church Legacy Program. This program works to accomplish three essential goals:

- We work with the remaining church to help establish a church legacy fund, which names the organizations which should receive ongoing support going forward. Often a church will identify those causes that are reflective of their history, such as cooperative and associational missions, the Children’s Home, Mission Illinois or Lottie Moon, or the North American Mission Board. Sometimes a church will include a ministry that has been uniquely significant in the life of the congregation in their local community.²
- We work to preserve the capital of resources that have been given over the years by God’s faithful people. Whether it includes physical assets such as a building or cash assets or both, these funds go into the Legacy Fund and begin to support

² Key to commonly used ministry abbreviations: MIO = Mission Illinois Offering, BCHFS = Baptist Children’s Home & Family Services, LMCO = Lottie Moon Christmas Offering of the International Mission Board, AAEO = Annie Armstrong Easter Offering of the North American Mission Board, DR = Disaster Relief of IBSA, CP = Cooperative Program, MEBA = Metro East Baptist Association

ongoing ministry. Approximately \$3 Million in assets have purposed for mission and ministry causes that otherwise would have dissipated as the church disbanded.

- Finally, we work with IBSA and the local Association and other resources to help a new church get started in the previous building whenever possible. The church property continues to be used for Kingdom purposes, often with exciting, renewed results.

Through the second quarter of 2019, 25 congregations have gone through BFI's Legacy Program, preserving and celebrating what God has done and preparing for His next great work through these church resources. The names should be remembered:

Church Name	Status	New Congregation Name	Ministries receiving Funding
Redemption City	Space Sharing – BFI Owned	Gospel Grace	IBSA, BCHFS, NAMB, SBC Hunger Relief, Embassy Church, Palatine
First, Paxton	Searching for Planter	NA	BCHFS, Mission Illinois Offering, Cooperative Program
Paradise, Tamaroa	Searching for Planter	NA	CP, Nine Mile, BCHFS, AAEO, LMCO, CAC
Willisville Missionary	Space Sharing – BFI Owned	Iglesia Christiana Centro Avivamiento	LMCO, AAEO, BCHFS, CAC
Maplewood Park, Cahokia	Transferred	Calvary	BCHFS, MEBA, LMCO, AAEO
Emmanuel Community, Pekin	Transferred	Central Life Church	BCHFS
Immanuel, Pana	Transferred	NA	MIO
Galena Road, Peoria Heights	Transferred	Galena Park	IMB, CAC, IBSA for Minister/Spouse Support
Harmony, Medora	Transferred	NA	CP, CAC, LMCO, AAEO, BCHFS
Allen Park, Galesburg	Space Sharing – BFI Owned	Road to Freedom	CP, Serving in Mission, Metro Peoria Baptist Association
Okawville First	Space Sharing – BFI Owned	Lighthouse	Lake Sallateeska, LMCO, AAEO, BCHFS, MIO, DR
Harrison, Murphysboro	Space Sharing – BFI Owned	Grace	CP, Nine Mile, BCHFS

Church Name	Status	New Congregation Name	Ministries receiving Funding
First, Valmeyer	Transferred	NA	Metro East Baptist Association
Lamon Avenue	Transferred	Starting Point	Pacific Garden Mission, BCHFS, NAMB, & IBSA Church Planting
Maranatha, Poplar Grove	Transferred	NA	IBSA Church Planting in North Central
Living Stones, Belvidere	Transferred	Ministerios Catedral	IBSA Church Planting in North Central
First Southern, Boody	Transferred	NA	BCHFS
Sublette Union, Sublette	Space Sharing – BFI Owned	Grace Fellowship	Grace Fellowship Building Fund, Transport for Christ, Sublette Fire District
First, St. Elmo	Transferred	Heartland Baptist	CP, Kaskaskia Association, BCHFS, Various St. Elmo organizations
First, Fisher	Searching for Planter	NA	WGNN, BCHFS, Fisher Ministerial
Glenview	Transferred	NA	Northern IL Church Planting, BCHFS
Glenfield, Glen Ellyn	Transferred	People’s Community	The Glenfield Initiative supporting church planting and leadership in Chicagoland
Eagle Summit, Colona	Space Sharing – BFI Owned	Maranatha Revival	AAEO, LMCO, MIO, BCHFS, DR, Church Planting
East Side, Mt. Vernon	Awaiting Disposition		Salem South Association, BCHFS
Grace Fellowship, Panama	Space Sharing – BFI Owned	Redeemer	Panama Youth Mission

We remain delighted to serve Illinois Baptists. This partnership for the Gospel, expressed in the great stewardship of God's people, is a high honor – and we are grateful for your confidence.

For our King and His Kingdom,



Larry Douglas (Doug) Morrow, Jr.
Executive Director

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