

TWO CONGREGATIONS JOIN FORCES FOR A BRIGHTER FUTURE

Merged congregation names itself “Grace Presbyterian Church” *by Eva Stimson*

Five years ago, University Presbyterian Church, in Tuscaloosa, Alabama, was having an identity crisis. Founded in the mid-60s as a campus ministry less than two blocks from the University of Alabama football stadium, the congregation no longer had oversight of the outreach to students and was seeking a new mission.

Just a mile and a half away, in suburban Tuscaloosa, Covenant Presbyterian Church also faced questions about its future. The congregation had begun the search for a new pastor, but with aging members and an average attendance of 40 in worship, it was not clear how long the church could afford to pay a full-time pastor.

Joining forces in “model merger”

Since then, the two congregations have joined forces to enter a brighter future together in what leaders of the Presbytery of Sheppards and Lapsley are calling a “model merger.” The merged congregation named itself “Grace Presbyterian Church.”

(continued on pg 2)

INSIDE:

From The President

Planned Giving Navigator

Doing Well and Doing Good:
Investing Responsibly

Six Principles for Responsible
Investment

Solar Panels Solve Big
Problems In Palestine



GRACE PRESBYTERIAN CHURCH

The merger, which became official in January 2017, was the result of a long discernment process, with assistance from the Presbyterian Foundation's Project Regeneration. The process led both churches to realize that "they need us and we need them," says Grace Church's pastor, Rev. Cathy C. Hoop, formerly pastor of Unversity Church.

"Both churches made difficult decisions and stepped out into an unknown future without any guarantee it would work," says Paul Grier, Vice President of Project Regeneration. "They did it carefully and were faithful stewards of the resources with which they had been entrusted.

"As a result," he adds, "you are now seeing a congregation that has a new outlook on life."

Journey began in 2013

The journey toward possible merger began soon after Hoop arrived at University Church in 2013. A church educator for 18 years, Hoop was excited to begin her first call as a pastor. But she recalls looking out at the 30-some people gathered for worship and thinking: "I'm clearly the last-ditch effort" for this congregation.

"I was worried for our future," she says. "I was scared I would be the person who would close the church." She reached out to Grier at the Foundation, who offered resources and encouragement. Meanwhile, under the leadership of Hoop and a new music director, University Church began to grow.

"We were attracting visitors and new families," Hoop says. "The problem was, we didn't have space for them." The congregation had built a student center, which it was renting to the campus ministry, but had little additional space for programs.

Covenant Church, on the other hand, had plenty of space but was not growing. In light of realities such as these, the sessions of the two churches began to explore a merger in which University would sell its property and move to the Covenant campus.

Covenant Church agreed to suspend its search for a pastor during the discernment process. During the nine months before the merger was final, the congregations worshiped together twice a month.



Churches found common commitments and differences

"We discovered we had more in common than either church had realized," Hoop says. For example, both had a strong commitment to social justice and had been active in efforts to combat poverty and support people with AIDS.

Each congregation brought strengths to the merger. Covenant Church had long-time members who "knew what it means to be Presbyterian," Hoop says. Their wisdom and stability complemented the vitality and diversity brought by University Church's newer members.

At the same time, there were differences to overcome. University Church included the sacrament of the Lord's Supper in worship every Sunday, but this was a new concept for Covenant members.

"We spent about a month studying communion," Hoop recalls. "We wanted to hear from everyone." In the end, both sessions approved offering the sacrament every week. "And nobody left over it," Hoop says.



TWO CONGREGATIONS JOIN FORCES FOR A BRIGHTER FUTURE continued

In June 2016, the merger was approved by a nearly unanimous vote in both congregations. Hoop attributes the outcome to several things: “We didn’t rush the decision. We had hard conversations. We talked about everything — we didn’t sweep anything under the carpet.”

University Church’s property sold easily for more than expected, enabling the church to make a sizeable donation to campus ministry and plan for necessary upgrades to the existing property. The proceeds are currently invested, half with the Presbyterian Foundation.

Growth in new members confirms joining was the right decision

At a potluck celebration of the one-year anniversary of Grace Presbyterian Church, Hoop asked for a show of hands of former University members, former

Covenant members, and new members of Grace Presbyterian. The biggest group was the one with brand-new members.

“This was confirmation that merger was the right thing to do,” Hoop says. “God was definitely in the midst of this. Before it was our idea, it was God’s idea.”

In the months since the merger, she has heard people in the community comment that in a time of so much division, it’s encouraging to see two churches come together.

Through Project Regeneration, the Foundation has worked with more than 600 congregations and related ministries since 2012, helping them make faithful decisions about stewardship of economic and property resources. For more information, contact Paul Grier, Vice President of Project Regeneration, at 800-843-9547.

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FROM THE PRESIDENT



Although summer didn't officially begin until June 21, many of our congregations got busy with activities and strategies to help engage students of all ages as soon as their area schools recessed for summer vacation. They've filled their calendars with summer

camps featuring a variety of activities from golf, tennis and basketball to acting, music, science exploration and team building challenges. Church members of all ages are volunteering to teach, provide snacks and often open their homes and pools for summer gatherings.

In anticipation of all these fun and wonderful summer activities, Minner Serovy, our Ministry Relations Officer in the upper Midwest region recently reminded me that many of our congregations, presbyteries and synods are not forgetting the significance of our kids' faith lives as well. For instance, July marks the 65th Synod of Lakes and Prairies Synod School – a week-long learning and personal enrichment experience for adults, youth and children. I am grateful for all church leaders working to emphasize the importance of our children's spiritual well-being by creating a sense of community and sharing our Christian faith.

Of course, Vacation Bible School (VBS) is synonymous with summer in most of our churches and is a means of reaching out to those unchurched families within the community. The origins of VBS can be traced back to 1894 when Sunday school and public-school teacher D.T. Miles started a daily Bible school to teach the Bible to children during the summer. That first Bible school lasted four weeks, but today's VBS programs typically last a week.

To help provide a great VBS experience, many of our churches turn to leaders in ministry resources such as Group Publishing and Cokesbury for themed VBS materials. Sometime this summer, many church interiors will be decorated and converted into Babylon, a Rolling River Rampage, Splash Canyon, or a Shipwrecked island to capture our children's attention and help them discover and experience God through Bible stories, music, science and craft projects, and recreation.

Vacation Bible School and other summer activities are one part of the mission God calls us to do. Guided by shared faith and values, the Presbyterian Foundation wants to partner with you to fund all the ministry and mission God calls you to do. We have many stewardship resources and ministry tools to help cultivate generosity and promote healthy stewardship. For more than 200 years, we have been developing gifts and managing funds to strengthen congregations and related mission efforts. Let us know how we can help you in these or other ways.

Faithfully raising our kids with you,



Rev. Tom Taylor, J.D., Ph.D.

President and CEO



Dana Schramm designed and built the Shipwrecked VBS set for the children of Westminster Presbyterian Church in Bay City, Michigan

DOING WELL AND DOING GOOD: INVESTING RESPONSIBLY

Editor's note: This story is one in a series about ways the Foundation is using its investments to work for greater change in the care and keeping of the earth we inhabit.

by Erin Dunigan

Investments can do well – the Presbyterian Foundation believes – and do good at the same time. Through practices of impact investing, corporate engagement, and use of positive and negative screens, the Foundation seeks to manage all aspects of the funds entrusted to them in accordance with God's call for faithful stewardship. The Foundation's trustees determined in 2015 that care for God's creation is one element of this stewardship.

In June 2015, the Foundation sent a letter to its investment managers directing them to incorporate environmental factors into their investment selection process. This includes engaging with company management about how climate change could affect their business, incorporate the impact of an investment's carbon footprint on prospective returns and to consider the impact of potential government and regulatory policies on prospective investment returns.

The letter also shared with managers the Presbyterian Church (U.S.A.)'s value of social witness, recognizing human worth and dignity, honesty in the production and manufacture of goods and services, stewardship of natural resources, and a focus on peacemaking.

Adding a layer

Anita Clemons, Vice President and Managing Director of Investments for the Presbyterian Foundation, describes the letter's request as "adding an extra layer." Rather than just asking, "Is a company making a profit?" the Foundation is asking managers to go a step further and consider how environmental, social and governance factors are impacting a business before selecting it for investment.

"It is adding an extra layer of research, not just about expectations of how a company will perform tomorrow, but how business activities today will impact the world in the future?" Clemons says. Environmental, Social and Governance (ESG) factors must be considered as indicators of the company's sustainability, she said. Companies have at least three areas in which they can make a positive or negative impact: the environment, the communities in which they operate, and their employees, Clemons said. Each of these adds a variety of factors to be considered when investing in a particular company.

continued on pg. 6

SIX PRINCIPLES FOR RESPONSIBLE INVESTMENT

Signatories' commitment

"As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time).

We also recognize that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6: We will each report on our activities and progress towards implementing the Principles."

Signatory of:



The Presbyterian Foundation became a signatory of PRI in March 2018. The PRI is an investor initiative in partnership with United Nations Environment Programme Finance Initiative and United Nations Global Compact.

DOING WELL AND DOING GOOD: INVESTING RESPONSIBLY continued

A positive response

The Foundation received positive responses from many of the managers, explaining the ways they would or already did consider these factors in their processes.

Jody Forsyth, Managing Partner of Annapolis Capital Limited, said environmental, social and governance screening is core to Annapolis' business. "At Annapolis, a critical investment criterion is that our investing teams embrace a commitment to strong and effective ESG management," Forsyth said. "That is just good business practice; but we also believe there to be a correlation, over time, between investment returns and a management level focus on ESG issues (i.e. management teams that focus on ESG issues possess a discipline that also drives out above-average returns)."

Clemons of the Foundation said it is crucial for churches and Presbyterian ministries to consider how the companies they invest in behave. "If you are a donor and you are giving money to a fund that will benefit your church, you want that donation to be stewarded well," she said. This includes smart investing, but also emphasizes the importance of Presbyterian values in that investment.

"If the church were to go out with the intent of 'Let's make the most money without regard to anything else,' the disregard for values could impact employees, communities and ministries," Clemons said.

Many seeking responsible companies

Many investment managers are already taking these environmental, social and governance issues into account in their decision-making processes. Signatories of the Principles for Responsible Investment (PRI) pledge to consider environmental, social and governance factors during their decision-making process. Many investors are coming to realize that companies that routinely violate environmental regulations and exhibit governance issues have a greater potential for negative risk, and thus are not good investments in either the fiduciary or the socially responsible sense.

Corporate engagement is another element of responsible investing. The 223rd General Assembly in St. Louis reaffirmed the PC(USA) commitment to dialogue with companies in which we are a shareholder. Ownership of shares in a company allows you to have a voice with your seat at the table. Corporate engagement, filing shareholder resolutions and voting all proxies work toward fulfillment of corporate responsibility to our planet.

"Why does this matter?" Clemons said. "It matters as a fiduciary and in the Presbyterian Foundation's responsibility for gifts entrusted to it. Investment managers have historically referred to our accounts as God's money. We must faithfully invest these dollars in a way that continues to support mission in a responsible way."

SOLAR PANELS SOLVE BIG PROBLEMS IN PALESTINE by Eva Stimson

In 2012, the 220th General Assembly directed the Presbyterian Church (U.S.A.)'s national agencies to seek out 'positive investments' in Israel-Palestine. The Presbyterian Foundation took the lead and, after engaging consultants to help identify potential projects, the Foundation selected the Arab Development Society (ADS) in Jericho as one such positive investment.

"We were drawn to the ADS because of its history and the work that it currently does," explained Greg Rousos, who serves as President and CEO of New Covenant Trust Company and Executive Vice President and Chief Operating Officer of the Presbyterian Foundation.

ADS has deep roots in Palestine

The Arab Development Society (ADS) was founded in 1945 by a Palestinian, Musa Alami, as an agricultural center. It thrived until 1948 when a portion of the ADS was destroyed in the crossfire of a military conflict. Alami rebuilt, and in addition to an agricultural center, he created a center for refugee orphans to receive vocational training.

In the Six Day War of 1967 it experienced more destruction and struggled to recover in the years that followed.

Over the last decade, new leadership took over, with the goal of returning the ADS to a more efficient and helpful organization.

SOLAR PANELS SOLVE BIG PROBLEMS IN PALESTINE continued

The ADS has begun to thrive again, with an extensive date farm, fishery ponds, and a dairy plant that produces milk and yogurt for Palestinian communities — ‘the best dairy products in the West Bank.’ There is only one problem: they can’t make enough of it.

“They can’t import additional dairy cows because of the occupation, so they are limited in terms of production,” explained Rousos. But, at least if they can keep costs down, they can pass that savings along to their Palestinian customers.

“We saw that electricity was one of their highest expenses,” shared Rousos. Various methods of reducing that cost were discussed. The ADS had been running at a deficit, primarily relying on donors.

“We realized that the most helpful we could be right now is with a solar project,” Rousos explained.

Ninety-five percent of the electricity in the West Bank comes from Israel. There are black outs or brown outs, most often in warmer weather. Lack of electricity for a dairy plant means that they cannot store or produce their product.

The Foundation loaned the ADS \$300,000 for a solar project, with a six-year repayment period on the loan. The loan included a one-year grace period and a below market interest rate. The solar plant was installed with

the work of an Israeli consultant and a Palestinian contractor to install the panels. The project went live two years ago and in that time the ADS has realized a 30 percent reduction in electricity costs, has balanced their budget, and has repaid the loan in its entirety.

It is not the largest solar installation in the West Bank, but it is the first of its kind implementing a ‘tracking system’ that moves with the sun to take full advantage of all daylight hours.

“In addition, because of their newfound financial stability, they have gone back to providing programs for orphan refugee children, bringing them onsite for training,” said Rousos. They also have been able to utilize a shelter that was built many years ago to once again provide a place for abused women.

“It is a great program that we have been privileged to partner with,” explained Rousos. “It has done exactly what we had hoped — the loan has been paid off early, it has impacted their bottom line so that they are stable, and thus they are able to implement some of these other programs to help refugees and women.”

For more information about our investment practices, visit our website, presbyterianfoundation.org



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Caring for God's CREATION

The Presbyterian Foundation joins countless Christians seeking to care for God's creation. That's why we are using our investments to seek solutions to climate change. From investing in renewable energy sources, to funding low-interest loans for churches to improve their energy efficiency, to providing fossil-free investment strategies for churches, mid councils, and individuals, we're using investments to work for greater change in the care and keeping of the earth we inhabit.

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