It is a privilege to present the 2014 annual report on behalf of our staff and board of directors. You will notice a new look in this year’s annual report. After much prayer and study we adopted a fresh new logo. In a meaningful way, the logo represents our renewed effort to provide Christ-centered practical estate planning services to all interested Alabama Baptists.

One method for sharing this service is through conducting “legacy conversation” seminars in churches. I encourage you to contact The Foundation by calling me at 334-394-2006 or emailing me at bbledsoe@tbfa.org to learn more about this opportunity.

For challenging words from Alabama pastors, please see the video found at https://vimeo.com/124431063 or scan the bar code below. Our deep desire is to serve you and your church in this largely overlooked area of faith based estate planning. When correctly understood, this service is a valuable help to believers as they make wise plans for both their family and their faith. More than four hundred Alabama Baptist couples have now been served through the Foundation’s estate planning ministry during the last four years. One Alabama Baptist remarked: “I believe we all dread the prospect of drawing up legal papers with end of life directives...The Baptist Foundation of Alabama rendered my fears unfounded by making the process simple, easy and quick; and, I achieved my goal of leaving a Kingdom Legacy for those that follow.”

As you read through this annual report, I trust you will detect our heartfelt desire to serve our Lord faithfully through the various ministries of the Foundation. If we can be of service to you or your church in any way, please contact us.

Barry Bledsoe, President
The Baptist Foundation of Alabama

Scan to see Alabama pastors’ thoughts on legacy planning.
Other TBFA videos can be found at https://vimeo.com/tbfa

Barry Bledsoe joined The Baptist Foundation of Alabama in April 2001 as President, where he has overall responsibility for leading the Foundation. Barry earned his undergraduate degree from what is now the University of West Alabama in 1973. He earned his law degree from Samford University’s Cumberland School of Law in 1978. Barry enjoyed a varied career in law and trust banking prior to coming to the Foundation. Immediately prior to joining the Foundation, he served as an executive vice-president for Regions Bank’s trust department. Before joining Regions Bank’s trust department in 1986, Barry was in private practice of law for approximately five years. His first job out of law school was with the US Treasury Department where he worked for the District Counsel’s office and represented the Internal Revenue Service in various legal matters, including Tax Court. Before going to law school Barry was a high school football coach for two years in Prattville, Alabama. Barry is married to the former Judy Reed of Cullomburg, Alabama. Barry and Judy have three sons and six grandchildren. Barry and Judy are active members of First Baptist Church Montgomery.
The Baptist Foundation of Alabama
2014 Highlights

587 Scholarships awarded through TBFA by generous donors

38 Couples

80 Churches and Entities engaged in Legacy Planning with TBFA

80 Couples

Over 100 Church Investment Funds managed by TBFA

Over 800 Local Churches and Ministries

$31.5 Million in potential future gifts to Local Churches and Ministries

Over $230 Million in Assets managed by TBFA

2 New Looks Logo & Website

Approximately $9 Million distributed to Baptist ministries/entities

211 Acts of service completed for 33 TBFA Elder Care clients
One of The Baptist Foundation of Alabama’s main objectives is to achieve the desired investment return of various accounts while incurring the least amount of risk possible. Investments are screened to avoid companies that are involved with alcohol, tobacco, gambling, pornography and abortion related goods and services. The Foundation reviews the risk (or loss of capital) associated with each asset class as it implements various portfolio allocations. Our investment process is founded upon three core principles:

- Asset allocation (or how the investments are mixed) is the most crucial decision in structuring any investment portfolio
- Downside protection is important in every portfolio
- Transparency in all areas of investing, this includes management and associated fees

With these core principles and the assistance from an institutional consultant, The Foundation utilizes multiple professional money managers to structure investment portfolios available to clients. This investment process makes The Foundation as academically sound as any secular institution or endowment providing similar services.

**INVESTMENT MANAGERS**

**CERES PARTNERS**
Asset Class: Farmland / HQ: South Bend, IN

**COURAGE CAPITAL MANAGEMENT**
Asset Class: Special Situation Hedge Fund / HQ: Nashville, TN

**DIMENSIONAL FUND ADVISORS**
Asset Class: US Core/Intl/Emerging Core Equity / HQ: Austin, TX

**INTERNATIONAL FARMING CORPORATION**
Asset Class: Farmland / HQ: Kinston, NC

**PRIVATE ADVISORS**
Asset Class: Long/Short Equity Hedge Fund / HQ: Richmond, VA

**REINHART PARTNERS**
Asset Class: Fixed Income / HQ: Mequon, WI

**RESOURCE MANAGEMENT SERVICE**
Asset Class: Timberland / HQ: Birmingham, AL

**SSI INVESTMENT MANAGEMENT**
Asset Class: Convertible Bonds / HQ: Beverly Hills, CA

**STONEBRIDGE ADVISORS**
Asset Class: Preferred Equities / HQ: Wilton, CT

**WEAVER BARKSDALE & ASSOCIATES**
Asset Class: Fixed Income / HQ: Nashville, TN

**INVESTMENT FUNDS**

**Equity Fund**
A diversified portfolio of stocks invested in long-only U.S. and international companies. This fund is managed for total return.

- U.S. Small/Mid Cap - 31%
- International Core - 24%
- U.S. Large Cap - 23%
- Emerging Markets - 18%
- Cash - 4%

**Balanced Fund**
A diversified portfolio of stocks, bonds and alternative investments suited for long-term investors such as individuals, churches and endowments requiring annual spending, but seeking real growth over time.

- Equity - 43%
- Fixed Income - 22%
- Low Correlation - 18%
- Real Assets - 15%
- Cash - 2%

**Income Fund**
A diversified portfolio of bonds invested to earn income while combating risk to principal. This fund is an alternative to traditional money market funds and short term CDs.

- Corporates - 54%
- Agencies (Treasuries) - 22%
- Government (Treasuries) - 22%
- Cash and Other - 2%

**Bond Fund**
A diversified portfolio of government and corporate bonds invested in intermediate maturities. This fund focuses on income and return of principal.

- Corporates - 49%
- Governments (Treasuries) - 29%
- Agencies - 20%
- Cash and Others - 2%
## Statements of Financial Position  
**December 31, 2014* and 2013**

*At the time of printing the annual report, audited statements were not available for 2014. When completed, audited copies of the financial statements are available upon request.

### Assets

<table>
<thead>
<tr>
<th></th>
<th>2014*</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$238,594</td>
<td>$610,369</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$47,142</td>
<td>$33,464</td>
</tr>
<tr>
<td>Bequests receivable</td>
<td>$250</td>
<td></td>
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<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments held in charitable remainder trusts and gift annuities</td>
<td>$53,022,633</td>
<td>$53,169,255</td>
</tr>
<tr>
<td>Investments held for others</td>
<td>$159,120</td>
<td>$171,356</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>$180,977,524</td>
<td>$180,056,539</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$236,520,067</strong></td>
<td><strong>$236,161,451</strong></td>
</tr>
</tbody>
</table>

### Liabilities and Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2014*</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$455,071</td>
<td>$403,279</td>
</tr>
<tr>
<td>Liabilities associated with charitable remainder trusts and gift annuities</td>
<td>$53,042</td>
<td>$58,572</td>
</tr>
<tr>
<td>Investments held for others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanently restricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$181,485,637</strong></td>
<td><strong>$180,518,390</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td><strong>$55,034,430</strong></td>
<td><strong>$55,643,061</strong></td>
</tr>
<tr>
<td></td>
<td><strong>$236,520,067</strong></td>
<td><strong>$236,161,451</strong></td>
</tr>
</tbody>
</table>

### Financial Distributions

In 2014, The Baptist Foundation of Alabama distributed almost $11,000,000 to more than 685 charitable causes and beneficiaries including those shown at the right.

The generous past and present gifts and bequests made by faithful Alabama Baptists continue to impact Baptist churches, students, ministries and children throughout our state, country and beyond.

Through the support of local churches, The Foundation’s team has been able to reach more church members through estate stewardship and legacy planning workshops.
OUR NEW LOGO & WEBSITE

The Baptist Foundation of Alabama’s new logo is a modern take on the traditional Cross of Christ, symbolic of our commitment to serve our Savior and fellow Christians with our very best. The logo also signifies the protection and security of a shield, reflecting the responsibility that TBFA takes to administer gifts given for the growth of God’s Kingdom. Our new tagline, “Giving. Growing. All for God’s Glory”, summarizes this mission well.

While our logo may have changed, our purpose remains the same. TBFA’s brand is about much more than a new logo. We are blessed to play a daily role in the lives of many churches and individuals seeking to honor God with their financial resources. Whether through investment management, fund administration, legacy planning, or stewardship of Big Jar assets to fuel God’s ministry work, it is our privilege to serve.

In addition, please visit our completely redesigned website. We think you will like it!

www.tbfa.org

STAFF MEMBERS


President  Chief Financial Officer  Chief Administrative Officer  Chief Development Officer  Vice President, Church Relations  Vice President, Ministry  Vice President, Trust Operations  Assistant Vice President, Trust Operations  Investment Officer  Development Officer  Client Services Officer  Executive Administrative Assistant  Ministry Administrative Assistant  Administrative Assistant  Development Administrative Assistant

bbledsoe@tbfa.org  jogburn@tbfa.org  jashworth@tbfa.org  rbledsoe@tbfa.org  bmccrary@tbfa.org  trandall@tbfa.org  psmith@tbfa.org  dengland@tbfa.org  nmccarthy@tbfa.org  jhocutt@tbfa.org  ssnell@tbfa.org  mnorrell@tbfa.org  rwillis@tbfa.org  scoston@tbfa.org  cwestover@tbfa.org

Serving Alabama Baptists Since 1940