2021 Annual Report

MOBILIZING FINANCIAL RESOURCES FOR Kingdom Purposes
Dear Partners in Ministry,

This year was a time of change for our ministry, as we celebrated the retirement of our President, Barry Bledsoe, after twenty years of excellent service. In June, I officially took the reigns as the seventh president at The Foundation, and let me say how thankful we are to be serving in this ministry. While our leadership has changed, our commitment to serve Alabama Baptists remains the same...in every service we offer, resource we provide, investment we make, our heart is to make Him known.

At The Foundation, we have a unique assignment in helping fulfill the Great Commission—everything we do is about mobilizing financial resources for Kingdom purposes. And there are a number of ways we do that. For example, we assist churches and individuals understand legacy giving: the opportunity we all have to advance the Kingdom through Christian estate planning.

But many churches also ask us to help them with Kingdom Impact Investing, or investment solutions tailored to meet the unique needs of their ministry. In this, we exclude investments in companies engaged in activities that do not align with their faith and include investments in companies that further Kingdom work while also seeking to generate a compelling market return.

We also offer church loans to support the purchase, building, renovation, or refinancing of capital projects, but unlike other secular lenders, ministries can have confidence that the interest from these loans is poured back into Kingdom causes.

And when COVID-19 emerged, we partnered with the Alabama Baptist State Board of Missions to offer an online giving platform we developed to help churches expand giving beyond the offering plate. Created within days of Alabama’s lockdowns, we helped churches put plans in place to move giving online.

These are just a few of the services we offer to help strengthen churches and serve individuals and help propel their ministry around our state and the world.

Please go to our website at www.tbfa.org or contact our ministry engagement staff at (334) 394-2000 for assistance or more information.

Thank you for allowing us to serve you, your families, and your church! Our team stands ready to help you however we can.

Blessings,

John E. Ashworth
President
MOBILIZING FINANCIAL RESOURCES for KINGDOM PURPOSES TODAY. TOMORROW. UNTIL JESUS RETURNS.
WE ARE HERE for You!

A PURPOSEFUL PARTNERSHIP
In every service we offer, resource we provide, investment we make - our heart is to make HIM known.

LEGACY LAUNCH
A framework to help you provide your church family with Christian estate planning, allowing for the advancement of God’s Kingdom and peace of mind for families served.

KINGDOM IMPACT INVESTING
Investment solutions, managed in a Biblically responsible manner, tailored to meet the uniques needs of your ministry. We exclude investments that don’t align with your faith, and include investments that further Kingdom work, while seeking to earn a compelling market return.

EDUCATIONAL SCHOLARSHIPS
Over 100 scholarship funds to help support the educational needs of seminary, undergraduate, and graduate students. These generous scholarships propel today’s students to become tomorrow’s Christian leaders.

CHURCH LOANS
Biblically grounded financing to support the purchase, building, renovation, or refinancing of capital projects. The best part - the interest from your loan is poured back into Kingdom causes.

VISION CAMPAIGNS
A holistic stewardship and generosity ministry initiative. These campaigns allow your congregation to give beyond their regular tithe to additional expansion projects that help further your church’s ministry.

GIVETHREE65
A digital giving platform to help your church expand giving beyond the offering plate. By offering multiple ways to give, you will empower your members to practice generosity anytime and anywhere.
KINGDOM Impact Investing

TBFA INVESTMENT FUNDS

INCOME Fund
A diversified portfolio of fixed income instruments designed to be an alternative to traditional money market funds and short-term CDs.

BOND Fund
A diversified portfolio of government and corporate fixed income instruments invested in intermediate/short maturities.

ENDOWMENT Fund
A diversified portfolio of multiple asset classes designed to achieve the sum of annual spending, inflation, and fees.

EQUITY Fund
A diversified portfolio of long-only US, international, and emerging market equities.

INCOME
Cash 1%
Agencies 11%
Govt/Treasuries 41%
Corporates 47%
1.29%
Historically Lowest Risk
Historically Lowest Return

BOND
Cash 1%
Agencies 8%
Corporates 43%
Govt/Treasuries 48%
1.80%

ENDOWMENT
Cash 1%
Fixed Income 19%
Alternatives 27%
Equities 53%
6.81%
Historically Highest Risk
Historically Highest Return

EQUITY
Cash 3%
International 8%
Emerging Markets 18%
US 71%
11.57%

10 Year Return* (as of 12/31/2021)

*Past performance is no guarantee of future results
TODAY we MANAGE over . . .

$300,000,000

420 + Investment Funds

2000 + Accounts benefiting Churches & Ministries

2021 DISTRIBUTIONS included . . .

$765,000+ Baptist Colleges, Universities & Seminaries

$5,300,000+ Churches & Baptist Associations

$2,700,000+ Alabama Baptist Ministries

$935,000+ Baptist Ministries not in Alabama

$12,601,922 Total Distributions in 2021

2021 CONTRIBUTIONS included . . .

$16,000,000+ Agency Accounts

$1,300,000+ Endowments

$750,000+ Charitable Trust & Annuities

$575,000+ Donor Advised Funds

$950,000+ Other

$19,973,445 Total Contributions in 2021

SINCE 1945, THE FOUNDATION has distributed Over $433,000,000
Maximize Your
KINGDOM GIVING

PLANNED GIVING OPTIONS

Through various Kingdom giving options, you can financially bless both ministry and your family, now and later. In addition, you may be able to reduce your taxes and increase your retirement income!

LEGACY PLANNING
A Biblically based, comprehensive process allowing you to continue faithful stewardship of God’s resources even after you step into heaven. Legacy planning will help you provide for your family while also advancing the ministries you love and support.

DONOR ADVISED FUND
A unique solution to make your giving simple, easy, and flexible. As an alternative to giving directly to charities, your contributions to a DAF have the potential to grow, tax-free, over time. DAFs are a great way to establish a tradition of giving among your children and grandchildren, as well as streamline the administration of your donations.

MEMORIAL ENDOWMENT FUND
Fuel Great Commission work for generations to come! Create a permanent fund during your lifetime (or as a part of your legacy plan) to leave a dependable stream of income to your favorite ministries.

CHARITABLE REMAINDER TRUST
Support the missions you admire while enjoying tax deduction and retaining an income stream for your lifetime (or set term of years). Ultimately, the trust becomes a gift to the ministries of your choice.

CHARITABLE GIFT ANNUITIES
Provide fixed income payments for life to you (or others). You will immediately receive the benefit of tax savings from a charitable deduction, while also ultimately blessing the Kingdom causes of your choice.

IRA CHARITABLE ROLLOVER
Give a tax-free distribution from your IRA to qualified ministries, satisfying your required minimum distribution while lowering your adjusted gross income for tax purposes and fueling Gospel work (up to $100,000 per year for individuals, $200,000 for couples).

NON-CASH ASSETS
Gifts of non-cash assets (such as retirement plans, tangible property, life insurance, or crypto currency) allow you to increase your Christian impact while maximizing tax benefits.
At the time of printing the annual report, audited statements were not available for 2021. When completed, audited copies of the financial statements are available upon request.

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<thead>
<tr>
<th>ASSETS</th>
<th>2021*</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 1,558,143</td>
<td>$ 1,450,868</td>
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<tr>
<td>Accounts receivable</td>
<td>13,858</td>
<td>12,506</td>
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<tr>
<td>Investments</td>
<td>73,972,065</td>
<td>71,410,551</td>
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<tr>
<td>Investments held for others</td>
<td>232,619,153</td>
<td>213,760,688</td>
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<tr>
<td>Property and equipment, net</td>
<td>1,713,497</td>
<td>1,755,843</td>
</tr>
<tr>
<td></td>
<td>$ 309,876,716</td>
<td>$ 288,390,456</td>
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<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$ 973,186</td>
<td>$ 926,065</td>
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<tr>
<td>Investments held for others</td>
<td>232,619,153</td>
<td>213,760,688</td>
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<td></td>
<td>233,592,339</td>
<td>214,686,753</td>
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<tr>
<td>Net assets</td>
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<tr>
<td>Without donor restrictions</td>
<td>31,951,204</td>
<td>30,880,261</td>
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<tr>
<td>With donor restrictions</td>
<td>44,333,173</td>
<td>42,823,442</td>
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<tr>
<td></td>
<td>76,284,377</td>
<td>73,703,703</td>
</tr>
<tr>
<td></td>
<td>$ 309,876,716</td>
<td>$ 288,390,456</td>
</tr>
</tbody>
</table>
Generosity

More than 50 churches offered online giving services to their members through our GiveThree65 portal, resulting in $680,000+ from 3,400+ generous contributions.

By partnering with Alabama Baptist churches in Vision Campaigns, we saw more than $3,000,000 raised beyond regular tithes to support growth in:

- Attendance
- Discipleship
- Giving

Impact Investing
Pursues investment in faith-led businesses

Positive Screens
Seeks investments in activities for the betterment of people and society

Negative Screens
Avoids investment in activities that do not align with our faith

Investments

THE FOUNDATION provided investment management services to more than 200 Churches!

Did you know The Foundation offers Biblically screened and Christian impact portfolios?

INVESTING

CHURCHES
Mission Support

Through 100+ scholarship funds, You enabled THE FOUNDATION to award over $675,000 directly to more than 700 college, university and seminary students.

SCHOLARSHIPS

THE FOUNDATION also awarded over $843,000 directly to:

- Alabama Baptist Colleges & Universities: $676,000+
- Southern Baptist Seminaries: $43,000+
- Other Baptist Colleges and Universities: $47,000+
- Other Colleges and Universities: $76,000+

LEGACY

Legacy Ministry

Legacy Plans put into place in 2021 will generate $10,698,884 in future gifts!

48 families completed Legacy Planning this year!

Since 2010, 1,096 families have completed Legacy Planning offered through The Foundation. Results?

- $309,000,000 in Future Gifts!
  - $146,000,000 to Local Churches
  - $76,000,000 to Baptist Ministries
  - $51,000,000 to Other Ministries
  - $35,000,000 to Other Charities
Thank you!

for allowing us to serve you as you mobilize YOUR financial resources for Kingdom purposes!