

**Episcopal Foundation of Dallas (EFD) & Episcopal Health Foundation of Dallas (EHFD)**  
**Board of Trustees Meeting Agendas**  
**March 3, 2020 11:00 am**  
**Dallas Country Club, 4155 Mockingbird Lane, Dallas TX 75205**

**EHFD BOARD MEETING**

- I. Call to Order and opening prayer: Eugenia King**  
Welcome and Introductions
- II. Consent Agenda: Eugenia King**
  - A.** Approval of Minutes of December 10, 2019 Board meeting (Page 2)
  - B.** Acceptance of EHFD Financial Reports (Pages 3-4)
- III. Adjourn**

**EFD BOARD MEETING**

- IV. Call to order: Eugenia King**
- V. Consent Agenda: Eugenia King**
  - A. Approval of December 10, 2019 Board meeting minutes** (Pages 5-6)
  - B. Acceptance of Investment Committee and Finance Report**
    - Minutes of February 19, 2020 Committee meeting (Page 7)
    - Performance Reports (Pages 8-15) Asset Allocation Report (Page 16)
    - Q4 2019 Financial Reports (Pages 17-21)
  - C. Approval all EFD Board policies and guidelines** (Pages 25-46)
  - D. Approval of the 2019 EFD Grants Calculation** (Page 22)
  - E. Approval of distribution from the Bishop Stanton Advised Fund**
    - i. \$1,000 to African Leadership and Reconciliation Ministries for medical missions
    - ii. \$1,000 to St. Andrew's Episcopal Church for church signage
- VI. Business Agenda: Eugenia King**
  - A. Nominating and Governance Committee Update: Jed Nau**  
Election of 2020 Board of Trustees, Officers, and Committee Chairs (Page 23)
  - B. Development and Marketing Committee Report: Chris Ayres/TJ McCoy**  
Planned giving resources
- VII. Other Business: Eugenia King**
  - A. Conflict of Interest Annual Disclosure**
  - B. Committee Work Plans**
  - C. Presentations**
- VIII. Adjourn – Philip de Bruyn**



## MISSION, VISION, VALUES

### **Mission**

The Episcopal Foundation of Dallas exists to strengthen and support faith communities by partnering wise investments with purposeful giving.

### **Vision**

The Episcopal Foundation of Dallas aspires to free our ministries – grow wealth through wise investments, lift financial burdens of those who serve, and maximize the impact of our shared missions.

### **Values**

- We support ministries of social engagement of the Gospel
- We practice disciplined investing
- We are motivated by the Christian faith
- We are led by committed laity and clergy

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## SPHERICAL® BRAND PROMISE

### **Brand Vision**

Free our ministries

### **Brand Positioning**

To Episcopal investors, the Episcopal Foundation of Dallas is the investment choice that faithfully partners wise investments with purposeful giving

### **Brand Personality**

A generous, faithful, engaged expert

### **Brand Affiliation**

Kingdom maximizers

**EPISCOPAL HEALTH FOUNDATION OF DALLAS (EHFD)**  
**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES**

December 10, 2019

**DRAFT**

A Regular Meeting of the Board of Trustees of the Episcopal Health Foundation of Dallas was held at Southern Wealth Management, 5005 LBJ Freeway, #1313, Dallas, Texas on December 10, 2019 at 4:00 p.m.

The following Trustees were present: Mr. Philip de Bruyn, Father Fabian Villalobos, Mr. Will Beecherl, Ms. Elizabeth Trupiano, Mr. Ford Keith, Mr. Ken Hanks, Ms. Barbara McColm, Mr. Jed Nau, Ms. Eugenia King, Mr. Pat Carrigan, Mr. Rick Barry, Mr. Andy Welch, Mr. TJ McCoy, Mr. Chris Ayres, and Mr. Dan Wilson, Others in attendance were Pam Fellows Jamieson, Executive Director.

Ms. Eugenia King, Chair, called the Regular Meeting of the Episcopal Health Foundation of Dallas to order at 5:08 p.m.

On motion duly made, seconded and unanimously carried, the Consent Agenda was approved as presented. The Consent Agenda included:

- A. Approval of Minutes of September 17, 2019 Board meeting
- B. Acceptance of EHFD Financial Reports
- C. 2020 EHFD Budget Approval

With no further business, the meeting was adjourned at 5:12pm.

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Charles Jedson (Jed) Nau, Secretary

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Eugenia King, Chairperson

**Episcopal Health Foundation of Dallas**  
**Statement of Net Assets**

	As of 12/31/2019	As of 12/31/2018
<b>Assets</b>		
North Dallas Bank - checking account	\$ 11,279	\$ 20,817
Vanguard - money market (1)	312,383	-
Prepaid excise tax (2)	6,200	3,727
Prepaid D&O insurance	651	615
Other	95	-
Investments at market value	6,438,857	5,835,131
<b>Total assets</b>	<b>\$ 6,769,464</b>	<b>\$ 5,860,290</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable (3)	\$ 9,417	\$ 11,277
Estimated excise tax liability	6,422	6,562
<b>Total liabilities</b>	<b>15,839</b>	<b>17,839</b>
<b>Net Assets</b>		
<b>Total unrestricted net assets</b>	<b>6,753,625</b>	<b>5,842,451</b>
<b>Total liabilities and net assets</b>	<b>\$ 6,769,464</b>	<b>\$ 5,860,290</b>

**Notes**

- (1) The Vanguard money market account was opened on 3/31/2019. Funds in the account represent the dollars needed to fund the 2020 grant program.
- (2) Excise tax for 2018 was substantially higher than 2017 creating a larger safeharbor hurdle for 2019.
- (3) Accounts payable of \$9,417 represents the amount due to EFD for administrative services provided to EHFD. Time spent developing the EHFD website and evaluating insurance coverage in 2018 caused higher expense that year.

**Episcopal Health Foundation of Dallas**  
**Statement of Activities**

	Year Ended 12/31/2019	Year Ended 12/31/2018
<b>Investment income and expense</b>		
Interest and dividends	\$ 250,613	\$ 273,476
Realized gains on sales on securities	89,750	78,273
Unrealized gains on investments	944,139	(756,203)
Investment management fees	(40,163)	(43,271)
<b>Net investment income</b>	<b>1,244,339</b>	<b>(447,725)</b>
<b>Grants and operating expenses</b>		
Foundation grants	\$ 312,030	\$ 304,500
Contract services	9,362	10,973
Excise tax expense	6,007	6,170
Accounting fees	2,600	2,250
Insurance - D&O	2,567	2,517
Computer & website	349	474
Meetings	121	312
Misc	129	100
<b>Total grants and expenses</b>	<b>333,165</b>	<b>327,296</b>
<b>Increase (decrease) in net assets</b>	<b>911,174</b>	<b>(775,021)</b>
<b>Net assets at beginning of period</b>	<b>5,842,451</b>	<b>6,617,472</b>
<b>Net assets at end of period</b>	<b>\$ 6,753,625</b>	<b>\$ 5,842,451</b>

**EPISCOPAL FOUNDATION OF DALLAS (EFD)**  
**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES**  
**December 10, 2019**  
**DRAFT**

A Regular Meeting of the Board of Trustees of the Episcopal Foundation of Dallas was held at Southern Wealth Management, 5005 LBJ Freeway, #1313, Dallas, Texas on December 10, 2019 at 4:00 p.m.

The following Trustees were present: Mr. Philip de Bruyn, Father Fabian Villalobos, Mr. Will Beecherl, Ms. Elizabeth Trupiano, Mr. Ford Keith, Mr. Ken Hanks, Ms. Barbara McColm, Mr. Jed Nau, Ms. Eugenia King, Mr. Pat Carrigan, Mr. Rick Barry, Mr. Andy Welch, Mr. TJ McCoy, Mr. Chris Ayres, and Mr. Dan Wilson, Others in attendance were Pam Fellows Jamieson, Executive Director.

Ms. Eugenia King, Chair, called the Regular Meeting of the Episcopal Foundation of Dallas to order at 4:08 p.m. and Father Fabian Villalobos led us in prayer.

On a motion duly made, seconded and unanimously carried, the Consent Agenda of the Board of Trustees was approved. The Consent Agenda included:

- A. Approval of September 17, 2019 Board meeting minutes
- B. Acceptance of Investment Committee and Finance Report
  - Minutes of November 13, 2019 Committee Meeting
  - Performance Reports
  - Asset Allocation Report
  - Q3 2019 Financial Reports
- C. Approval of Development Committee Report
  - Minutes of September 23, 2019 and November 18, 2019 Committee Meeting
- D. Approval of EFD and EHFD Grant Policies
- E. Approval of \$1,000 Honorarium for retiring board member, Rick Barry
- F. Approval of Donor Advised Fund disbursements
  - i. March 29, 2019 Beecherl Advised Fund, \$10,000 for Pastoral Leadership
  - ii. May 31, 2019 JC Brown Scholarship Fund, \$5811
  - iii. October 31, 2019 JC Brown Scholarship Fund, \$5811

Mr. Rick Barry, Investment Committee Chair gave the Investment Committee report. The committee has decided to take make no changes on Vanguard's active managers in the portfolio at this time. Mr. Barry reported that in two recent investment partner visits, questions were raised about the portfolio weight in international equities. The committee has asked Vanguard to do research on our current position and will be discussed at the next meeting. EFD will be gaining a new investment partner, St. James Day School, Texarkana, who will be depositing approximately \$550,000 by the end of the year. A current investment partner, St. Augustine's will be depositing an additional \$265,000 soon also.

Mr. Barry presented the EFD 2020 Budget. After a brief review and on a motion duly made, seconded and unanimously carried, the EFD 2020 Budget was approved as presented.

Development and Marketing Chair, Mr. Chris Ayres gave the Development and Marketing Committee report. The committee is developing resources for planned giving and endowments to be used by churches. These will be in digital format and will be a template system that will be customizable. The committee is also working on determining if an Ambassadors Council would be beneficial to the Foundation. The committee will be investigating other organizations and creating well defined responsibilities and expectations. Mr. Ayres also mentioned that the next step for marketing and growing the Episcopal Fund will be to identify rectors and parishioners and educate them on the benefits of donor advised funds.

On behalf of Bishop Sumner, Ms. King gave the Diocese update. The Bishop thanked us for all work and support of the Foundation. The Diocese continues to work toward paying its full assessment to the National Church. The Bishop is hosting a lunch on Wednesday, December 18 with the curates.

Ford Keith, St. Matthew's member gave an update on the Diocese offices and St. Matthew's Cathedral. He informed the Board that the land of and around the Diocese offices is under contract. The offices will be torn down and will move into the 3<sup>rd</sup> floor of Garret Hall. New retail and apartments will be built along Garrett Avenue

Ms. Eugenia King gave the Board highlights from 2019 which are attached. The Board then went into Executive Session at 4:35 p.m. and returned to full board at 4:55 p.m.

In other business, Ms. King referred to the 2020 meeting dates in the board packet along with the 2020 officers and committees which will take office at the Annual Meeting in March. She thanked everyone who attended the Community Garden Kitchen Groundbreaking Ceremony where we presented the \$60,000 check. She also discussed EFD's 70-year anniversary commemoration which will be led by the Development and Marketing Committee. Eugenia reminded the board members that the Christmas letter is out and asked that everyone respond.

Executive Director, Pam Fellows Jamieson gave an update on the search for a new controller.

A short discussion about refreshing the EFD Strategic plan was held and will be addressed by the 2020 board.

With no further business, the meeting was adjourned at 5:07 p.m.

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Charles Jedson (Jed) Nau, Secretary

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Eugenia King, Chairperson

**Episcopal Foundation of Dallas  
Investment Committee Meeting  
Minutes  
Wednesday, February 19, 2020, 4:00 pm  
8140 Walnut Hill Lane, Suite 830, Dallas, Texas 75231  
DRAFT**

**Committee Members:**

**Present:** Rick Barry (Committee Chairman), Scott Hancock, Ken Hanks, Pat Carrigan, Dan Wilson, and Andy Welch

**Absent:** Philip de Bruyn, Eugenia King, Will Beecherl, Jill Hurt, Controller

**Others Attending:** Pam Jamieson, Executive Director, Geoff Hall, Senior Investment Consultant, and Chris Moore, Investment Analyst, Vanguard

Rick Barry, Chairman opened the Investment and Finance Committee meeting at 4:04 pm with a prayer.

**Regular Business:**

Minutes from the November 11, 2019 Investment Committee meeting were not reviewed as they were already approved at the December Board meeting.

Vanguard Senior Investment Consultant Geoff Hall reviewed the performance packet. Market value of the portfolio on December 31, 2019 was \$39,302,262 which is an increase of \$448,631 since September 31, 2019. Geoff commented on the strong performance of both the market and our portfolio for 2019 and a particularly good final quarter. Geoff and Chris reviewed the asset allocation study in the packet. It included varying allocations of total equities, as well as varying allocations of international equities within the totals, and the predicted performance of these allocations. The Vanguard analysis does not suggest a need to change our current allocation, nor did Geoff recommend one. Following their presentation, Geoff Hall and Chris Moore left the meeting.

Rick reviewed the current EFD financial statement packet. EFD current assets were \$6,405,632 as of December 31, 2019. The notes section was expanded and explained most variances. The financial statements were accepted as presented.

The EHFD Financial Statement review was led by Rick. EHFD current assets were \$6,769,464 as of December 31, 2019. The Financial statements were accepted as presented.

In other business, Executive Director Pam Jamieson discussed the possibility of investing capital campaign funds for The Church of the Transfiguration. These would be short-term funds and would not be rolled into the portfolio. Several ideas were discussed which included using our Vanguard brokerage account and the VCSH fund which yields about 3% as an option or setting up a money market depending on the desires of the church. On a motion duly made, seconded and unanimously approved, it was determined that we would agree to invest these funds and charge 10 bps not to exceed \$2500 per year. Pam and Scott Hancock will talk with Bill Evans, Transfiguration Endowment Chair, when he returns from vacation.

Pam briefly reviewed the grant calculation for 2020 which remained at 4.5%. The motion was duly made, seconded and unanimously approved.

With no further business, the meeting adjourned at 5:22 p.m.





## QUARTERLY PERFORMANCE REPORT Period Ending December 31, 2019

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- 1 Aggregated Performance Summary
- 2 Market & Economic Overview
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**Episcopal Foundation of Dallas - Aggregated Performance Summary**

*as-of December 31, 2019*

	Market Value*	Portfolio Allocation	Three-Month	One-Year	Three-Year	Five-Year	Ten-Year
Vanguard	\$39,302,262	100.00%	7.11%	22.73%	10.83%	-	8.23%
<b>Vanguard Composite Benchmark</b>			6.32%	22.85%	10.54%	-	8.23%
<b>Aggregate Portfolio (net of EFD fee)*</b>	<b>\$39,302,262</b>	<b>100.00%</b>	<b>6.97%</b>	<b>22.12%</b>	<b>10.25%</b>	<b>7.77%</b>	<b>8.32%</b>
<b>Aggregate Composite Benchmark*</b>			<b>6.32%</b>	<b>22.85%</b>	<b>10.53%</b>	<b>8.09%</b>	<b>9.27%</b>

*Notes: Historical return data for Five-Year and Ten-Year provided by client. All returns are net of fund-level fees and the Vanguard advisory fee. Aggregate portfolio returns are net of the EFD administrative fee. Vanguard Composite provides a comparison for Vanguard portfolio return and constitutes 42% Spliced Total Stock Market Index/28% Spliced Total International Stock Index/18% Spliced Barclays U.S. Agg Flt-Adj. Index/6% Barclays GA ex-USD Flt-Adj. RIC Capped Index Hedged/6% REIT Spliced Index and has been calculated as-of December 31, 2019. Performance effective date for Vanguard Composite as-of September 30, 2015. Aggregate Composite provides a comparison for Episcopal Foundation of Dallas portfolio and constitutes a weighted average of the Vanguard Composite and HFRI Fund of Funds Composite.*

**\*Aggregate portfolio performance and Aggregate composite performance include hedge fund and HFRI performance, respectively, through February 29, 2016 for the Five-Year and Ten-Year time periods.**

## Vanguard Market & Economic Overview

### Global equities have a bounce back year

Amid the backdrop of persistently low inflation, slowing global growth, and geopolitical tensions, central banks around the globe stepped in to quell fears and mitigate volatility by enacting accommodative monetary policy. As a result, domestic and international stocks rebounded from weakness in 2018 with an exceptionally strong showing in 2019, returning 30.8%<sup>1</sup> and 21.4%<sup>7</sup>, respectively, while also posting strong fourth quarter returns of 9.0% and 6.6%.

For the year, domestic large cap stocks (31.5%)<sup>2</sup> outperformed their mid (31.1%)<sup>3</sup> and small cap (27.3%)<sup>4</sup> counterparts perhaps due to the belief that larger companies are better positioned to withstand the geopolitical instability. Additionally, while all sectors were in positive territory, Information Technology (IT) proved to be the biggest contributor with an impressive yearly return of 48.6%<sup>16</sup>. IT was also the second highest performing sector during the fourth quarter, posting a return of 13.7%. From a style standpoint, growth stocks (35.8%)<sup>5</sup> continued to outperform value stocks (26.3%)<sup>6</sup> for the year, and the same phenomenon occurred for the fourth quarter, with growth returning 10.7% versus value at 7.5%.

On the international front, developed market stocks (22.3%)<sup>9</sup> outpaced emerging market stocks (20.4%)<sup>8</sup> in 2019, despite emerging market equities coming out well ahead in the fourth quarter (11.4% versus 8.6%).

### Optimism on trade talks drove treasury yields higher

The broad U.S. fixed income market<sup>10</sup> returned only 0.14% for the fourth quarter as interest rates picked up across the yield curve. The yield on the ten-year Treasury note rose from 1.65% to 1.92% during the three month period ended December 31<sup>st</sup>. However, for the full year, the broad U.S. fixed income market returned 8.87%, reflecting a persistent decline in yields throughout most of the previous nine months.

The yield curve is no longer inverted. The spread between the two-year and ten-year Treasury securities widened to 0.34% (from 0.05% at the end of the third quarter and from 0.13% from a year earlier). Market participants continue to monitor the relationship between short-term and long-term yields, even though the yield curve is now upward sloping, thus suggesting a lower risk of a recession in near future. U.S. credit bonds (1.05%)<sup>11</sup> outpaced Treasury securities (-0.79%)<sup>12</sup> for the quarter as well as over the past year (13.80% versus 6.86%). Credit spreads narrowed allowing U.S. high yield corporate bonds<sup>13</sup> to return 2.61% for the quarter and 14.32% for the trailing 12 months. Meanwhile, hedged international bonds outperformed their unhedged counterparts for the trailing 12-month period, as U.S. dollar strength contributed to higher returns and added to a sizable advantage relative to unhedged bonds. The hedged index<sup>14</sup> returned -1.25% for the quarter and 8.06% over the past year, while the unhedged index<sup>15</sup> returned 0.68% for the quarter and 5.09% in 2019.

### Signs of better economic data and optimism surrounding the US and China trade deal

The U.S. economy grew at an annualized rate of 2.1% in the third quarter, similar to the rate of 2.0% observed in the second quarter. The acceleration in real GDP in the third quarter reflected a smaller decrease in private inventory investment and upturns in exports and residential fixed investment. Partially offsetting these factors were a deceleration in personal consumption expenditures, federal, state and local government spending, and a larger decrease in nonresidential fixed investment. Headline unemployment reached a 50-year low of 3.5% in September and remained unchanged as of the end of the fourth quarter. Nonfarm payrolls increased 145,000 in December and averaged about 180,000 in monthly gains for the quarter. Notable job gains occurred in retail trade and health care, while mining lost jobs. Average hourly earnings rose 2.9% over the past year while annualized inflation came in at 2.1% in November, above the 1.7% annual rate in September. The core inflation rate, which excludes volatile items such as food and energy, was unchanged at 2.3%. The Federal Reserve continues to target core inflation levels in the 2% range. Vanguard believes structural factors such as technology and globalization will keep core inflation near or below the Fed's 2% target in 2020.

The Eurozone's quarterly economic growth was confirmed at 0.2% in the third quarter of 2019, the same as in the previous three-month period. Inflation accelerated to 1.3% year-on-year in December 2019 from 0.8% in the previous quarter end. The unemployment rate stood at 7.5% in November 2019, its lowest level since July 2008. Among the Eurozone's largest economies, the lowest unemployment rate was recorded in Germany (3.1%), while higher rates were observed in France (8.4%), Italy (9.7%) and Spain (14%).

## Vanguard Market & Economic Overview

In the United Kingdom, the economy grew at an annualized rate of 1.1% in the third quarter, compared to 1.2% in the previous quarter. Inflation held steady at 1.5%, annualized, for November, the lowest level since November 2016. The unemployment rate also held steady at 3.8%, its lowest level in nearly 45 years. The Conservative Party won an absolute majority in the December elections. As a result, it is expected that the UK will leave the EU by the end of January.

### Central banks come to the rescue

The Federal Reserve reduced the Federal Funds rate three times in 2019 with the latest rate cut coming in October, resulting in a current Fed Funds rate range of 1.50% - 1.75%. In the October FOMC statement, the Fed decided to lower the target rate "in light of the implications of global developments for the economic outlook as well as muted inflation pressures". Notably, Chairman Jerome Powell stated that the decrease should be considered insurance cuts rather than a pre-determined course of action. In other words, the lowering of the target rate was carried out to help support the market during times of rising risks. The accommodative action seems to have had a positive effect on economic indicators such as the yield curve, which inverted in May but returned back to an upward-sloping posture in September. While Vanguard projects one to two more rate cuts in 2020, the Federal Reserve maintains that "it will continue to monitor the implications of incoming information for the economic outlook and will act as appropriate to sustain the expansion, with a strong labor market and inflation near its symmetric 2 percent objective."

Meanwhile, the European Central Bank (ECB) provided some monetary easing of their own in response to weakening growth. In September, the ECB announced that they would be lowering the interest rates further into negative territory, to -0.50%. It was noted that current interest rates will "remain at their present or lower levels until [the ECB sees] the inflation outlook robustly converge to a level sufficiently close to, but below, 2% [...] and such convergence has been consistently reflected in the underlying inflation dynamics". Moreover, the Council of the ECB decided to restart their quantitative easing (QE) program by purchasing 20 billion euros per month starting on November 1st. The asset purchases will remain in place "for as long as necessary to reinforce the accommodative impact of [the ECB's] policy rates, and to end shortly before raising" interest rates.

### Final Thoughts

*The years ahead will be characterized by uncertainty: an unpredictable policy environment along with continued geopolitical risk will serve as a drag on demand, thus potentially hampering long-term potential growth. The current environment of loose monetary policy will persist as low growth and low inflation continues. While the aforementioned factors may cause a fragile market in the years ahead, more favorable valuations have led to a slight increase in our 10-year outlook for stocks while fixed income projections continue to remain low. Through it all, Vanguard maintains that investors should continue to hold a diversified portfolio whilst maintaining a long-term approach.*

### Index Returns

1) CRSP US Total Market Index, 2) CRSP US Large-Cap Index, 3) CRSP US Mid-Cap Index, 4) CRSP US Small-Cap Index, 5) Russell 3000 Growth Index, 6) Russell 3000 Value Index, 7) FTSE Global All-Cap ex-US Index, 8) FTSE Emerging Markets Index, 9) FTSE Developed All-Cap ex-US Index, 10) BloombergBarclays US Aggregate Float-Adjusted Bond Index, 11) BloombergBarclays US Credit Index, 12) BloombergBarclays US Treasury Index, 13) BloombergBarclays US Corporate High Yield Index, 14) Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC-Capped (USD-Hedged) Bond Index, 15) BloombergBarclays Global Aggregate ex-USD Index 16) MSCI US IMI 25/50 Information Technology

### Sources

Vanguard, U.S. Treasury, Trading Economics, Bureau of Economic Analysis, Bloomberg, Reuters, CNN, BBC, Wall Street Journal, Fortune, European Central Bank

## Performance Summary (Gross of Advisory Fees) ending December 31, 2019

	Market Value (\$)	% of Portfolio	2019 Q4 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>EPISCOPAL FOUNDATION OF DALLAS</b>	<b>39,302,262</b>	<b>100.00</b>	<b>7.14</b>	<b>22.85</b>	<b>10.95</b>	--	--	<b>8.34</b>	<b>Jun-15</b>
<b>EPISCOPAL FOUNDATION OF DALLAS (Net)</b>			<b>7.11</b>	<b>22.73</b>	<b>10.83</b>	--	--	<b>8.23</b>	
Composite Benchmark			6.32	22.85	10.54	--	--	8.23	Jun-15
<b>Total Equity</b>	<b>28,071,894</b>	<b>71.43</b>	<b>10.21</b>	<b>27.47</b>	<b>13.39</b>	--	--	<b>9.64</b>	<b>Jun-15</b>
<b>Equity Domestic</b>	<b>16,791,630</b>	<b>42.72</b>	<b>10.18</b>	<b>30.03</b>	<b>14.39</b>	--	--	<b>11.79</b>	<b>Jun-15</b>
Spliced Total Stock Market Index			9.00	30.84	14.56	11.21	13.44	12.06	Jun-15
<b>Equity International</b>	<b>11,280,265</b>	<b>28.70</b>	<b>10.27</b>	<b>23.64</b>	<b>11.82</b>	--	--	<b>6.38</b>	<b>Jun-15</b>
Spliced Total International Stock Index			9.26	21.80	9.84	5.84	5.13	5.40	Jun-15
<b>Total Fixed Income</b>	<b>8,965,474</b>	<b>22.81</b>	<b>-0.07</b>	<b>8.45</b>	<b>4.07</b>	--	--	<b>3.69</b>	<b>Jun-15</b>
<b>Fixed Income Domestic</b>	<b>6,728,395</b>	<b>17.12</b>	<b>0.33</b>	<b>8.65</b>	<b>3.98</b>	--	--	<b>3.47</b>	<b>Jun-15</b>
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			0.14	8.87	4.08	3.07	3.78	3.45	Jun-15
<b>Fixed Income International</b>	<b>2,237,079</b>	<b>5.69</b>	<b>-1.28</b>	<b>7.88</b>	<b>4.35</b>	--	--	<b>4.36</b>	<b>Jun-15</b>
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-1.25	8.06	4.57	3.98	--	4.61	Jun-15
<b>Total Real Estate</b>	<b>2,264,894</b>	<b>5.76</b>	<b>0.62</b>	<b>28.94</b>	<b>8.37</b>	--	--	<b>9.55</b>	<b>Jun-15</b>
<b>Real Estate Domestic</b>	<b>2,264,894</b>	<b>5.76</b>	<b>0.62</b>	<b>28.94</b>	<b>8.37</b>	--	--	<b>9.55</b>	<b>Jun-15</b>
Real Estate Spliced Index			0.65	29.03	8.46	7.27	12.06	9.66	Jun-15

Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any purchase or redemption fees.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

Returns greater than one year represent annualized returns. Returns less than one year represent cumulative returns.

## Performance Summary (Gross of Advisory Fees) ending December 31, 2019

	Market Value (\$)	% of Portfolio	2019 Q4 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>EPISCOPAL FOUNDATION OF DALLAS</b>	<b>39,302,262</b>	<b>100.00</b>	<b>7.14</b>	<b>22.85</b>	<b>10.95</b>	--	--	<b>8.34</b>	<b>Jun-15</b>
Composite Benchmark			6.32	22.85	10.54	--	--	8.23	Jun-15
<b>Total Equity</b>	<b>28,071,894</b>	<b>71.43</b>	<b>10.21</b>	<b>27.47</b>	<b>13.39</b>	--	--	<b>9.64</b>	<b>Jun-15</b>
<b>Equity Domestic</b>	<b>16,791,630</b>	<b>42.72</b>	<b>10.18</b>	<b>30.03</b>	<b>14.39</b>	--	--	<b>11.79</b>	<b>Jun-15</b>
Spliced Total Stock Market Index			9.00	30.84	14.56	11.21	13.44	12.06	Jun-15
Vanguard® Total Stock Market Index Fund Institutional Shares	8,395,513	21.36	9.01	30.81	14.55	11.21	13.43	12.06	Jun-15
Spliced Total Stock Market Index			9.00	30.84	14.56	11.21	13.44	12.06	Jun-15
Multi-Cap Core Funds Average			8.00	27.71	11.88	8.56	10.93	9.13	Jun-15
Vanguard® Windsor™ Fund Admiral™ Shares	4,206,563	10.70	10.65	30.52	10.88	8.24	11.70	8.54	Jun-15
Russell 1000 Value			7.41	26.54	9.68	8.29	11.80	9.40	Jun-15
Multi-Cap Value Funds Average			7.49	24.80	8.46	7.12	10.27	7.77	Jun-15
Vanguard® PRIMECAP Fund Admiral™ Shares	4,189,554	10.66	12.06	27.88	17.57	13.05	14.67	14.42	Jun-15
Russell 1000 Growth			10.62	36.39	20.49	14.63	15.22	15.38	Jun-15
Multi-Cap Growth Funds Average			9.02	31.76	17.59	11.38	12.64	11.55	Jun-15
<b>Equity International</b>	<b>11,280,265</b>	<b>28.70</b>	<b>10.27</b>	<b>23.64</b>	<b>11.82</b>	--	--	<b>6.38</b>	<b>Jun-15</b>
Spliced Total International Stock Index			9.26	21.80	9.84	5.84	5.13	5.40	Jun-15
Vanguard® Total International Stock Index Fund Inst Shares	5,646,421	14.37	9.05	21.56	9.90	5.88	5.13	5.31	Jun-15
Spliced Total International Stock Index			9.26	21.80	9.84	5.84	5.13	5.40	Jun-15
International Funds Average			9.03	23.01	9.58	5.48	5.26	4.76	Jun-15
Vanguard® International Value Fund	2,823,202	7.18	8.77	20.39	9.61	5.17	4.91	4.53	Jun-15
Spliced International Index			8.92	21.51	9.87	5.51	4.68	5.21	Jun-15
International Funds Average			9.03	23.01	9.58	5.48	5.26	4.76	Jun-15
Vanguard® International Growth Fund Admiral™ Shares	2,810,642	7.15	14.29	31.48	18.06	10.76	8.84	10.41	Jun-15
Spliced International Index			8.92	21.51	9.87	5.51	4.68	5.21	Jun-15
International Funds Average			9.03	23.01	9.58	5.48	5.26	4.76	Jun-15
<b>Total Fixed Income</b>	<b>8,965,474</b>	<b>22.81</b>	<b>-0.07</b>	<b>8.45</b>	<b>4.07</b>	--	--	<b>3.69</b>	<b>Jun-15</b>
<b>Fixed Income Domestic</b>	<b>6,728,395</b>	<b>17.12</b>	<b>0.33</b>	<b>8.65</b>	<b>3.98</b>	--	--	<b>3.47</b>	<b>Jun-15</b>
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			0.14	8.87	4.08	3.07	3.78	3.45	Jun-15

## Performance Summary (Gross of Advisory Fees) ending December 31, 2019

	Market Value (\$)	% of Portfolio	2019 Q4 (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Vanguard® Total Bond Market Index Fund Admiral™ Shares	3,370,857	8.58	0.03	8.71	4.02	3.00	3.68	3.38	Jun-15
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			0.14	8.87	4.08	3.07	3.78	3.45	Jun-15
Spliced Intermediate-Term Investment-Grade Debt Funds Average			0.21	8.69	3.78	2.84	3.80	3.17	Jun-15
Vanguard® Inter-Term Investment-Grade Fund Adm™ Shares	2,262,772	5.76	0.64	10.49	4.66	3.90	5.11	4.18	Jun-15
BBgBarc US Credit 5-10 Yr TR			1.18	13.90	5.79	4.64	5.79	5.04	Jun-15
Spliced Core Bond Funds Average			0.21	8.69	3.78	2.84	3.80	3.17	Jun-15
Vanguard® Short-Term Investment-Grade Fund Adm™ Shares	1,094,766	2.79	0.63	5.84	2.96	2.56	2.76	2.63	Jun-15
BBgBarc US Credit 1-5 Yr TR			0.84	6.58	3.31	2.71	3.07	2.78	Jun-15
1-5 Year Investment-Grade Debt Funds Average			0.57	4.68	2.42	1.93	2.15	1.99	Jun-15
<b>Fixed Income International</b>	<b>2,237,079</b>	<b>5.69</b>	<b>-1.28</b>	<b>7.88</b>	<b>4.35</b>	<b>--</b>	<b>--</b>	<b>4.36</b>	<b>Jun-15</b>
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-1.25	8.06	4.57	3.98	--	4.61	Jun-15
Vanguard® Total International Bond Index Fund Adm™ Shares	2,237,079	5.69	-1.28	7.88	4.35	3.75	--	4.37	Jun-15
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			-1.25	8.06	4.57	3.98	--	4.61	Jun-15
International Income Funds Average			1.00	6.36	4.15	1.98	2.38	2.95	Jun-15
<b>Total Real Estate</b>	<b>2,264,894</b>	<b>5.76</b>	<b>0.62</b>	<b>28.94</b>	<b>8.37</b>	<b>--</b>	<b>--</b>	<b>9.55</b>	<b>Jun-15</b>
<b>Real Estate Domestic</b>	<b>2,264,894</b>	<b>5.76</b>	<b>0.62</b>	<b>28.94</b>	<b>8.37</b>	<b>--</b>	<b>--</b>	<b>9.55</b>	<b>Jun-15</b>
Real Estate Spliced Index			0.65	29.03	8.46	7.27	12.06	9.66	Jun-15
Vanguard® Real Estate Index Fund Admiral™ Shares	2,264,894	5.76	0.62	28.94	8.37	7.17	11.97	9.55	Jun-15
Real Estate Spliced Index			0.65	29.03	8.46	7.27	12.06	9.66	Jun-15
Real Estate Funds Average			0.43	26.64	7.90	6.52	11.12	8.54	Jun-15

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Total Portfolio returns represent client-specific time-weighted returns (TWR) are presented gross of any applicable service fees with the exception of mutual fund expense ratios and other security-level expenses.

Internal rates of return (IRR) are net of any applicable service fees, include account-specific cash flows, and are not directly comparable to a benchmark, since benchmarks do not include cash flows.

Client performance inception date is generally the first month-end after initial funding. Mutual funds and all investments are subject to risk, including the possible loss of the money you invest. Diversification does not ensure a profit or protect against a loss.

Performance figures assume the reinvestment of dividends and capital gains distributions. The fund performance percentages are based on fund total return data, adjusted for expenses, obtained from Lipper, a Thomson Reuters Company. The total return data was not adjusted for fees and loads.

Benchmark comparative indexes represent unmanaged or average returns on various financial assets, which can be compared with funds' total returns for the purpose of measuring relative performance.

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## Episcopal Foundation of Dallas

2/27/2020

	Investment Policy	2/27/2020	
Asset Category	Target	%	Total
US Equity	42%	42%	15,983,986
International Equity	28%	28%	10,623,044
Fixed Income	24%	24%	9,181,263
Real Estate	6%	6%	2,305,232
<b>TOTALS</b>	<b>100%</b>	<b>100%</b>	<b>\$38,093,525</b>

Note: The Foundations Investment Policy allows for a +/-5 percentage point variance from desired target weighting.

**EPISCOPAL FOUNDATION OF DALLAS  
STATEMENT OF NET ASSETS**

	Notes	As of 12/31/2019	As of 12/31/18
<b>Assets</b>			
Cash - Foundation operating		\$ 116,956	\$ 139,093
Cash - Vanguard Money Market	(1)	188,106	-
Administrative fees receivables		45,722	40,247
Accounts receivable (EHFD)	(2)	9,417	11,276
Contribution receivable		1,600	1,500
Investments - Foundation	(3)	6,049,859	5,316,480
Investments - Agency	(3)	33,252,403	29,270,459
Furniture and equipment, net	(4)	2,500	1,429
Oil and gas property	(5)	3,500	3,500
Deposits and prepaid expenses		4,387	3,475
Total assets		<u>\$ 39,674,450</u>	<u>\$ 34,787,459</u>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Payroll liabilities		\$ 6,415	\$ 6,703
Accounts payable		10,000	35
Grants payable	(6)	-	30,000
Due to Agency Funds		33,252,403	29,270,459
Total liabilities		<u>33,268,818</u>	<u>29,307,197</u>
<b>Net Assets</b>			
Without donor restrictions		6,403,882	5,478,512
With donor restrictions	(5)	1,750	1,750
Total net assets		<u>6,405,632</u>	<u>5,480,262</u>
Total liabilities and net assets		<u>\$ 39,674,450</u>	<u>\$ 34,787,459</u>

**Notes to Statement of Net Assets:**

- (1) The Vanguard money market account was opened on 3/31/2019. Funds in the account represent the dollars needed to fund the 2020 grant program.
- (2) Accounts receivable of \$9,417 represents the amount due from EHFD for administrative services provided by EFD. Time spent developing the EHFD website and evaluating insurance coverage in 2018 caused higher expense that year.
- (3) See Client Activity Summary for a roll forward of investments.
- (4) The increase in Furniture and equipment represents the purchase of a new laptop computer and associated productivity software for the Controller.
- (5) The Foundation accepted a contribution of property in 1989. Under the terms of the property assignment, the Foundation shares any receipts from the property 50%:50% with other charities. The property is conservatively valued at \$3,500. Half the value is reflected as "temporarily restricted" due to the terms of the property assignment.
- (6) Grants payable at 12/31/2018 represented \$30,000 approved for Community Garden Kitchen in 2016. That commitment along with a \$30,000 grant approved in a subsequent year was paid to Community Garden Kitchen in December 2019.

**EPISCOPAL FOUNDATION OF DALLAS  
STATEMENT OF ACTIVITIES**

	Notes	Year Ended 12/31/19	Year Ended 12/31/18
<b>Operating Revenues and Expenses</b>			
Administrative fee income-gross		\$ 207,434	\$ 208,204
Interest - money market account	(1)	2,248	-
Misc Income (EHFD)		9,374	11,017
Total operating revenue/support		<u>219,056</u>	<u>219,221</u>
 Payroll and payroll taxes		 143,861	 147,198
Professional fees		35,915	28,424
Sponsorships	(2)	7,500	2,000
Office operation		25,950	28,793
Total operating expenses	(3)	<u>213,226</u>	<u>206,415</u>
 Increase in net assets from operations		 <u>5,830</u>	 <u>12,806</u>
 <b>Contributions Income - Episcopal Fund</b>		 <u>9,357</u>	 <u>110,495</u>
 <b>Net Investment Gains</b>			
Interest & dividends		229,319	245,382
Realized gains		82,891	68,684
Unrealized gains		870,736	(692,704)
Less: Vanguard advisory fees		(6,205)	(6,281)
Less: Admin fees on EFD funds		(31,036)	(31,926)
Total net investment revenue		<u>1,145,705</u>	<u>(416,845)</u>
 <b>Grant Expense</b>			
Foundation grants		213,900	187,500
Trustee fund grants		-	4,000
Advised fund grants		21,622	33,506
Total grant expense		<u>235,522</u>	<u>225,006</u>
 Total Increase (decrease) in net assets		 925,370	 (518,550)
 Net assets at beginning of period		 <u>5,480,262</u>	 <u>5,998,812</u>
 Net assets at end of period		 <u>\$ 6,405,632</u>	 <u>\$ 5,480,262</u>

**Notes to Statement of Activities:**

(1) See Note 1 on Statement of Net Assets

(2) Sponsorships represent charitable gifts to (1) support the fundraising efforts of nonprofit organizations that share similar funding priorities with the Foundation and the Diocese, and to (2) heighten awareness of the Foundation. The sponsorship program launched in 2018 and expanded in 2019. The budget for 2020 is \$8,000

(3) See Actual vs. Budget Report for additional detail.

EPISCOPAL FOUNDATION OF DALLAS  
STATEMENT of ACTUAL VS. BUDGET

	Notes	YTD at 12/31/2019		
		Actual	Budget	Variance over (under) Budget
<b>Operating Revenue and Expenses</b>				
<b>Revenue</b>				
Administrative fee income - gross		\$ 207,434	\$ 203,500	\$ 3,934
Other Income		11,622	11,000	622
<b>Operating Revenue</b>		<b>\$ 219,056</b>	<b>\$ 214,500</b>	<b>\$ 4,556</b>
<b>Expenses</b>				
<b>Payroll</b>				
Executive Director		75,000	75,000	-
Grant Administrator		12,100	11,000	1,100
Controller	(1)	33,006	37,500	(4,494)
Bonuses	(1)	13,534	0	13,534
Employers payroll taxes		10,221	9,450	771
<b>Total Payroll Expenses</b>		<b>\$ 143,861</b>	<b>\$ 132,950</b>	<b>\$ 10,911</b>
<b>Professional Fees</b>				
Audit		20,156	20,500	(344)
Tax return preparation		3,432	3,200	232
Website & Computer Tech		2,327	3,000	(673)
Legal fees contingency		-	4,500	(4,500)
Marketing	(2)	10,000	2,000	8,000
Development	(2)	-	3,500	(3,500)
<b>Total Professional Fees</b>		<b>\$ 35,915</b>	<b>\$ 36,700</b>	<b>\$ (785)</b>
<b>Sponsorships</b>		<b>\$ 7,500</b>	<b>\$ 8,000</b>	<b>\$ (500)</b>
<b>Office Expense</b>				
Rent		7,577	7,200	377
Insurance-D&O/Liability	(3)	8,447	3,500	4,947
Telephone/Fax/Internet		600	600	-
Computer expense		1,420	2,000	(580)
Development	(2)	230	3,750	(3,520)
Depreciation		1,052	1,300	(248)
Professional development		1,230	1,500	(270)
Office supplies		1,518	1,500	18
Marketing materials	(2)	508	2,500	(1,992)
Insurance-Worker's Comp		274	350	(76)
Property taxes		48	50	(2)
Board luncheon		1,036	800	236
Meetings	(4)	806	2,000	(1,194)
Convention		50	200	(150)
Memorials & special gifts		608	500	108
Miscellaneous		546	500	46
<b>Total Office Expense</b>		<b>\$ 25,950</b>	<b>\$ 28,250</b>	<b>\$ (2,300)</b>
<b>Operating Expense</b>		<b>\$ 213,226</b>	<b>\$ 205,900</b>	<b>\$ 7,326</b>
<b>Operating Surplus (Deficit)</b>		<b>\$ 5,830</b>	<b>\$ 8,600</b>	<b>\$ (2,770)</b>

Notes

- (1) Variances in payroll resulted from the Controller working reduced hours during the search for a replacement and from bonuses awarded by the Board at the December meeting.
- (2) Dollars budgeted in various Marketing and Development categories were utilized to develop planned giving materials which will serve as a resource to Diocesan entities.
- (3) Insurance expense is over budget as a result of an increase in cost for D&O coverage and from adding a Professional Liability Policy that provides Errors and Omissions coverage. EFD's current insurance package is as follows:  
Professional Liability  
Directors & Officers Liability  
Business Owners Coverage  
Crime Coverage
- (4) EFD pays an hourly rate for conference room usage at the office. The variance in meetings expense was the result of hosting some committee meetings offsite and reducing length of meetings held at the office.

## Episcopal Foundation Client Activity Summary - Fourth Quarter 2019

	Market Value 9/30/2019	Deposits	Withdrawals	Interest & Dividends	Adm Fees	Money Mgr Fees	Realized Gains/ (Losses)	Unrealized Gains/ (Losses)	Market Value 12/31/2019
<b><u>ASSET MANAGERS</u></b>									
Vanguard - Old Platform	-			-	-	-	-	-	-
Proceeds from Class Actions				-	-		422.01		
Vanguard	37,345,695.74	7,650.00	(643,286.35)	1,006,613.91	(51,350.33)	(10,219.14)	146,131.93	1,500,604.39	39,302,262.16
<b>TOTAL MANAGERS</b>	<b>37,345,695.74</b>			<b>1,006,613.91</b>	<b>(51,350.33)</b>	<b>(10,219.14)</b>	<b>146,553.94</b>	<b>1,500,604.39</b>	<b>39,302,262.16</b>
<b><u>AGENCY ACCOUNTS</u></b>									
Frank Hughes Estate	1,014,689.44	-	(37,542.00)	26,663.48	(1,395.20)	(277.66)	3,879.08	40,122.86	1,046,140.00
Amistad Mission	1,368,008.13	-	-	37,275.72	(1,881.01)	(374.34)	5,395.00	55,042.59	1,463,466.09
Episcopal Health Foundation of Dallas	6,120,314.37	-	(108,200.00)	166,459.26	(8,415.43)	(1,674.74)	24,122.17	246,251.31	6,438,856.94
Alice L. Bomar Trust fund	36,834.15	-	(62.13)	1,002.04	(50.65)	(10.08)	145.06	1,480.88	39,339.27
Church of the Incarnation Pension Trust	1,543,239.06	-	(13,444.76)	41,710.91	(2,121.95)	(422.29)	6,070.12	62,089.76	1,637,120.85
Our Merciful Saviour Episcopal Church	75,399.60	-	(8,500.00)	1,839.85	(103.67)	(20.63)	287.28	3,031.64	71,934.07
Annie Harris Norton Fund	4,425.76	-	-	120.59	(6.09)	(1.21)	17.45	178.07	4,734.57
St. Albans Scholarship Fund	12,145.48	-	-	330.94	(16.70)	(3.32)	47.90	488.68	12,992.98
St. John's Episcopal School	4,950,272.37	-	-	134,885.86	(6,806.62)	(1,354.57)	19,522.35	199,177.03	5,295,696.42
St. Mark's Irving	171,178.80	-	(10,000.00)	4,401.95	(235.37)	(46.84)	642.43	6,700.03	172,641.00
St. James Day School	-	-	-	-	-	-	-	-	-
Parish Episcopal School Fund	3,474,138.50	-	-	94,663.91	(4,776.94)	(950.65)	13,700.93	139,783.94	3,716,559.69
Good Shepherd Episcopal Church	59,127.15	-	-	1,611.11	(81.30)	(16.18)	233.19	2,379.02	63,252.99
Petrash Scholarship Fund	14,647.58	-	-	399.12	(20.14)	(4.01)	57.77	589.36	15,669.68
The Santiago Foundation	770,820.17	-	(31,752.46)	21,003.45	(1,059.88)	(210.92)	3,039.88	31,014.39	792,854.63
St. Augustine's Episcopal Church	126,029.38	-	-	3,434.07	(173.29)	(34.49)	497.02	5,070.86	134,823.55
St. Matthew's Cathedral Revolving Fund	722.60	-	(100.00)	17.07	(0.99)	(0.20)	2.52	27.20	668.20
St. Matthew's Cathedral Endowment Fund	1,225,105.00	-	(10,374.00)	33,203.82	(1,684.52)	(335.23)	4,816.05	49,227.12	1,299,958.24
Holy Nativity	207,485.76	-	(47,500.00)	4,407.39	(285.29)	(56.78)	663.21	7,457.89	172,172.18
ECR - Building Fund	221,016.57	-	-	6,022.30	(303.90)	(60.48)	871.63	8,892.73	236,438.85
<b><u>DIOCESAN ACCOUNTS</u></b>					-				
E.D. Farmer Foundation	822,864.75	-	(50,000.00)	21,158.87	(1,131.44)	(225.17)	3,185.87	33,096.03	828,948.91
Endowment of the Episcopate	2,308,106.37	-	(100,000.00)	60,366.31	(3,173.65)	(631.58)	8,983.96	92,843.16	2,366,494.57
St. Paul Memorial Fund	661,234.99	-	(75,000.00)	16,123.41	(909.20)	(180.94)	2,518.83	26,586.55	630,373.64
Corporation of the Diocese	2,803,227.48	-	-	76,382.81	(3,854.44)	(767.06)	11,055.06	112,789.46	2,998,833.31
The Mausoleum Perpetual Care Fund	123,134.79	-	-	3,355.20	(169.31)	(33.69)	485.60	4,954.40	131,726.99
Memorial Scholarship Fund	676,950.80	-	-	18,445.68	(930.81)	(185.24)	2,669.69	27,237.50	724,187.62
Ministry with the Aging, Inc. / Bruton	269,630.53	-	-	7,346.94	(370.74)	(73.78)	1,063.33	10,848.74	288,445.02
Elizabeth Austin Miller Fund	185,193.96	-	-	5,046.20	(254.64)	(50.68)	730.36	7,451.39	198,116.59
Junker Fund	130,457.13	-	-	3,554.71	(179.38)	(35.70)	514.48	5,249.01	139,560.25
Price Fund	115,379.50	-	-	3,143.88	(158.65)	(31.57)	455.02	4,642.36	123,430.54
William B. Clayton Fund	207,742.21	-	-	5,660.60	(285.65)	(56.85)	819.28	8,358.62	222,238.21
Hiram and LaVerne McCurry Fund	367,598.82	-	-	10,016.40	(505.45)	(100.59)	1,449.70	14,790.55	393,249.43
Bishop Moore Endowment	42,067.56	-	-	1,146.26	(57.84)	(11.51)	165.90	1,692.61	45,002.98
Estate of Estelle Smith	626,193.67	-	-	17,062.62	(861.02)	(171.35)	2,469.51	25,195.26	669,888.69
Lawrence Blake Scholarship Trust	771,917.26	-	-	21,033.33	(1,061.39)	(211.22)	3,044.20	31,058.53	825,780.71
The Gathering	47,491.55	-	-	1,294.06	(65.30)	(13.00)	187.29	1,910.85	50,805.45
<b><u>EPISCOPAL FOUNDATION ACCOUNTS</u></b>									
The Episcopal Fund	4,509,686.99	7,650.00	(145,000.00)	121,265.44	(6,200.81)	(1,234.00)	17,711.05	181,452.44	4,685,331.11
The Julie and Louis Beecherl Trustee's Fun	594,641.91	-	-	16,202.89	(817.63)	(162.72)	2,345.09	23,925.75	636,135.29
Beecherl Advised Fund	270,769.19	-	-	7,377.97	(372.31)	(74.09)	1,067.83	10,894.55	289,663.14
J. C. Brown Memorial Scholarship Advised	328,125.76	-	(5,811.00)	8,788.36	(451.17)	(89.79)	1,275.06	13,093.39	344,930.61
Bishop Stanton Advised Fund	87,680.65	-	-	2,389.13	(120.56)	(23.99)	345.79	3,527.88	93,798.90
<b>AGENCY ACCOUNTS</b>	<b>31,554,791.24</b>	<b>-</b>	<b>(492,475.35)</b>	<b>850,590.12</b>	<b>(43,387.85)</b>	<b>(8,634.55)</b>	<b>123,809.12</b>	<b>1,267,710.38</b>	<b>33,252,403.11</b>
<b>EPISCOPAL FOUNDATION ACCOUNTS</b>	<b>5,790,904.50</b>	<b>7,650.00</b>	<b>(150,811.00)</b>	<b>156,023.79</b>	<b>(7,962.48)</b>	<b>(1,584.59)</b>	<b>22,744.82</b>	<b>232,894.01</b>	<b>6,049,859.05</b>
<b>TOTAL</b>	<b>37,345,695.74</b>	<b>7,650.00</b>	<b>(643,286.35)</b>	<b>1,006,613.91</b>	<b>(51,350.33)</b>	<b>(10,219.14)</b>	<b>146,553.94</b>	<b>1,500,604.39</b>	<b>39,302,262.16</b>

**Episcopal Foundation Client Activity Summary YTD through 12/31/2019**

	Market Value 12/31/2018	Deposits	Withdrawals	Interest & Dividends	Adm Fees	Money Mgr Fees	Realized Gains/ (Losses)	Unrealized Gains/ (Losses)	Market Value 12/31/2019
<b><u>ASSET MANAGERS</u></b>									
Proceeds from Class Actions							5,539.91	-	-
Vanguard	34,586,938.57			1,483,962.30	(201,958.93)	(40,375.85)	532,858.58	5,645,289.84	39,302,262.16
<b>TOTAL</b>	<b>34,586,938.57</b>	<b>214,437.83</b>	<b>(2,924,430.09)</b>	<b>1,483,962.30</b>	<b>(201,958.93)</b>	<b>(40,375.85)</b>	<b>538,398.49</b>	<b>5,645,289.84</b>	<b>39,302,262.16</b>
<b><u>AGENCY ACCOUNTS</u></b>									
Frank Hughes Estate	923,212.49	-	(75,463.00)	39,439.49	(5,443.76)	(1,088.27)	14,302.67	151,180.38	1,046,140.00
Amistad Mission	1,198,541.46	-	-	54,268.37	(7,207.43)	(1,440.70)	19,211.60	200,092.79	1,463,466.09
Episcopal Health Foundation	5,835,130.84	-	(636,230.00)	246,230.63	(33,471.11)	(6,692.15)	89,750.21	944,138.52	6,438,856.94
Alice L. Bomar Trust fund	33,180.35	-	(1,041.44)	1,461.31	(195.71)	(39.12)	518.46	5,455.42	39,339.27
Church of the Incarnation Pen	1,279,965.51	85,000.00	(21,608.82)	60,840.83	(8,031.51)	(1,605.09)	21,650.03	220,909.90	1,637,120.85
Our Merciful Saviour Episcopa	66,059.22	-	(8,500.00)	2,776.42	(397.24)	(79.40)	1,048.79	11,026.28	71,934.07
Annie Harris Norton Fund	3,877.51	-	-	175.57	(23.32)	(4.66)	62.15	647.32	4,734.57
St. Albans Scholarship Fund	10,640.92	-	-	481.80	(63.99)	(12.79)	170.57	1,776.47	12,992.98
St. John's Episcopal School	4,337,040.62	-	-	196,375.47	(26,080.82)	(5,213.31)	69,519.05	724,055.41	5,295,696.42
St. Mark's Irving	165,687.10	50,000.00	(80,000.00)	7,010.63	(1,073.28)	(214.47)	2,885.71	28,345.31	172,641.00
St. James Day School	-	-	-	-	-	-	-	-	-
Parish Episcopal School Fund	3,043,767.82	-	-	137,817.78	(18,303.72)	(3,658.74)	48,788.98	508,147.57	3,716,559.69
Good Shepherd Episcopal Chu	51,802.57	-	-	2,345.57	(311.52)	(62.27)	830.37	8,648.27	63,252.99
Petrash Scholarship Fund	13,273.65	-	(500.00)	585.68	(79.12)	(15.82)	209.89	2,195.40	15,669.68
The Santiago Foundation	682,839.50	-	(40,252.46)	30,652.94	(4,082.79)	(816.14)	10,879.35	113,634.23	792,854.63
St. Augustine's Episcopal Chu	110,417.05	-	-	4,999.55	(663.99)	(132.72)	1,769.88	18,433.78	134,823.55
St. Matthew's Cathedral Revol	138,920.78	-	(152,628.80)	913.41	(368.33)	(74.09)	823.54	13,081.69	668.20
St. Matthew's Cathedral Endov	1,290,077.90	70,141.68	(319,082.00)	49,322.50	(6,808.24)	(1,361.86)	18,423.80	199,244.46	1,299,958.24
Holy Nativity	248,086.35	-	(122,500.00)	7,479.53	(1,336.03)	(267.23)	3,280.05	37,429.51	172,172.18
ECR - Building Fund	205,119.14	-	(13,000.00)	8,882.03	(1,197.60)	(239.43)	3,186.96	33,687.75	236,438.85
<b><u>DIOCESAN ACCOUNTS</u></b>									
E.D. Farmer Foundation	773,801.19	-	(110,000.00)	31,935.83	(4,570.29)	(913.64)	11,998.36	126,697.46	828,948.91
Endowment of the Episcopate	2,022,181.87	-	(100,000.00)	89,036.37	(12,160.41)	(2,430.74)	32,295.33	337,572.15	2,366,494.57
St. Paul Memorial Fund	718,749.94	-	(225,000.00)	25,034.84	(3,886.32)	(777.36)	10,184.94	106,067.60	630,373.64
Corporation of the Diocese	2,928,907.50	-	(525,000.00)	114,879.82	(16,201.54)	(3,239.98)	43,214.69	456,272.82	2,998,833.31
The Mausoleum Perpetual Car	107,881.05	-	-	4,884.72	(648.75)	(129.67)	1,729.23	18,010.41	131,726.99
Memorial Scholarship Fund	593,091.24	-	-	26,854.39	(3,566.56)	(712.92)	9,506.74	99,014.73	724,187.62
Ministry with the Aging, Inc. /	236,229.14	-	-	10,696.15	(1,420.57)	(283.96)	3,786.54	39,437.72	288,445.02
Elizabeth Austin Miller Fund	162,252.41	-	-	7,346.58	(975.71)	(195.03)	2,600.79	27,087.55	198,116.59
Junker Fund	114,296.32	-	-	5,175.18	(687.33)	(137.39)	1,832.06	19,081.41	139,560.25
Price Fund	103,826.72	-	(2,985.00)	4,579.93	(611.65)	(122.27)	1,620.64	17,122.17	123,430.54
William B. Clayton Fund	182,007.44	-	-	8,241.06	(1,094.50)	(218.79)	2,917.42	30,385.58	222,238.21
Hiram and LaVerne McCurry F	322,061.27	-	-	14,582.52	(1,936.71)	(387.13)	5,162.37	53,767.11	393,249.43
Bishop Moore Endowment	36,856.31	-	-	1,668.80	(221.64)	(44.30)	590.77	6,153.04	45,002.98
Estate of Estelle Smith	576,507.34	-	(30,000.00)	24,980.46	(3,379.66)	(675.66)	8,991.49	93,464.72	669,888.69
Lawrence Blake Scholarship T	712,560.00	-	(39,016.57)	30,803.20	(4,171.61)	(833.99)	11,097.32	115,342.36	825,780.71
The Gathering	41,608.36	-	-	1,883.97	(250.21)	(50.02)	666.97	6,946.38	50,805.45
<b><u>EPISCOPAL FOUNDATION ACCOUNTS</u></b>									
The Episcopal Fund	4,179,483.58	9,296.15	(400,000.00)	178,583.79	(24,257.69)	(4,849.76)	64,825.84	682,249.20	4,685,331.11
The Julie and Louis Beecherl	520,978.67	-	-	23,589.20	(3,132.91)	(626.24)	8,350.82	86,975.75	636,135.29
Beecherl Advised Fund	246,319.03	-	(10,000.00)	10,776.53	(1,439.07)	(287.70)	3,855.44	40,438.91	289,663.14
J. C. Brown Memorial Scholars	292,879.50	-	(11,622.00)	12,891.19	(1,744.34)	(348.70)	4,627.33	48,247.63	344,930.61
Bishop Stanton Advised Fund	76,818.91	-	-	3,478.26	(461.95)	(92.34)	1,231.34	12,824.68	93,798.90
<b>AGENCY ACCOUNTS</b>	<b>29,270,458.88</b>	<b>205,141.68</b>	<b>(2,502,808.09)</b>	<b>1,254,643.33</b>	<b>(170,922.97)</b>	<b>(34,171.11)</b>	<b>455,507.72</b>	<b>4,774,553.67</b>	<b>33,252,403.11</b>
<b>AL FOUNDATION ACCOUNTS</b>	<b>5,316,479.69</b>	<b>9,296.15</b>	<b>(421,622.00)</b>	<b>229,318.97</b>	<b>(31,035.96)</b>	<b>(6,204.74)</b>	<b>82,890.77</b>	<b>870,736.17</b>	<b>6,049,859.05</b>
<b>TOTAL</b>	<b>34,586,938.57</b>	<b>214,437.83</b>	<b>(2,924,430.09)</b>	<b>1,483,962.30</b>	<b>(201,958.93)</b>	<b>(40,375.85)</b>	<b>538,398.49</b>	<b>5,645,289.84</b>	<b>39,302,262.16</b>

**EPISCOPAL FOUNDATION OF DALLAS**  
**Calculation of Amounts Available for 2020 Grants**  
**Based on Spending Guideline**

	<b>Fair Market Value</b>	
	<b>Episcopal Fund</b>	<b>Trustees Fund</b>
<b>December 31, 2015</b>	<b>3,944,841</b>	<b>364,744</b>
<b>December 31, 2016</b>	<b>4,032,695</b>	<b>392,663</b>
<b>December 31, 2017</b>	<b>4,583,242</b>	<b>567,848</b>
<b>December 31, 2018</b>	<b>4,179,484</b>	<b>520,979</b>
<b>November 30, 2019</b>	<b>4,634,988</b>	<b>619,600</b>
<b>Total FMV 5 Year Period</b>	<b>21,375,249</b>	<b>2,465,834</b>

**5-Year Average of Fair Market Value of Unrestricted Funds**

<b>FMV 5 Yr Total Divided by 5</b>	<b>4,275,050</b>	<b>493,167</b>
<b>At 4.5%:</b>	<b>192,377</b>	<b>22,193</b>

**Effective Spending Rate**

**EPISCOPAL FOUNDATION OF DALLAS**  
**2020 OFFICERS and COMMITTEE LISTING**  
**Beginning March 2020**  
as of 1/6/20

**Officers**

Philip de Bruyn – Chair  
Robbi Rice Dietrich - President  
Ken Hanks – Vice President  
Chris Ayres - Treasurer  
Jed Nau - Secretary

**Executive Committee**

Chris Ayres  
Pat Carrigan  
Philip de Bruyn  
Robbi Rice Dietrich  
Ken Hanks  
Jed Nau  
Andy Welch

**Audit & Administration Committee**

Ken Hanks - Chair  
Philip de Bruyn  
Robbi Rice Dietrich  
Jed Nau  
Elizabeth Trupiano

**Development and Marketing Committee**

TJ McCoy - Chair  
Chris Ayres  
Jiggs Foster  
Eugenia King  
Barbara McColm  
Rev. Fabian Villalobos

**Grants Committee**

Pat Carrigan - Chair  
Ford Keith  
Robbi Rice Dietrich  
Eugenia King  
Barbara McColm  
TJ McCoy  
Elizabeth Trupiano  
Rev. Fabian Villalobos

**Investment and Finance Committee**

Andy Welch - Chair  
Will Beecherl  
Pat Carrigan  
Philip de Bruyn  
Scott Hancock  
Ken Hanks  
Dan Wilson, Trustee Emeritus

**Nominating and Governance Committee**

Will Beecherl - Chair  
Chris Ayres  
Philip de Bruyn  
Jiggs Foster  
Ford Keith  
Jed Nau  
Andy Welch



**EPISCOPAL FOUNDATION OF DALLAS (EFD) &  
EPISCOPAL HEALTH FOUNDATION OF DALLAS (EHFD)**  
2020 Meetings

**Board of Directors**

Tuesday, March 3, 2020 11:00 am - 12:30 pm (luncheon/meeting)  
*annual election, honor retiring members, welcome new members*

Tuesday, June 9, 2020 4:00 pm  
*Grants Committee recommendations for 2020 EFD grants, Audit Report*

Tuesday, September 15, 2020 4:00 pm  
*Grants Committee recommendations for 2020 EHFD, 990 Review*

Tuesday, December 8, 2020 4:00 pm  
*Officer slate, budget*

*Board of Trustees meeting location may vary from meeting to meeting. Notification  
with location details will be sent with meeting materials prior to the meeting date.*

**Investment Committee**

Wednesday, February 19, 2020 4:00 pm

Wednesday, May 13, 2020 4:00 pm

Wednesday, September 2, 2020 4:00 pm

Wednesday, November 11, 2020 4:00 pm

**Grants Committee Meetings**

June 2, 2020  
EFD Grants

September 8, 2020  
EHFD Grants

# **Episcopal Foundation of Dallas and Episcopal Health Foundation of Dallas**

## **Conflict of Interest Policy**

### **Purpose**

A charitable organization should adopt and implement policies and procedures to ensure that all conflicts of interest, actual or perceived, within the organization and the board are either avoided or appropriately managed through disclosure, recusal, or other means. A conflict of interest can arise whenever a trustee, committee member, or staff person's duty of loyalty to the charitable organization comes into conflict with a competing financial or personal interest that he or she (or a relative) may have in a proposed transaction.

In some cases, conflict-of-interest transactions violate the law; in other situations, they work to a foundation's advantage. Regardless of intention or result, however, foundations, their boards and their managers must act very carefully when dealing with transactions that are, or may appear to be, inconsistent with a foundation's interest for the following reasons.

First, conflict-of-interest transactions can create substantial legal liability, especially if they violate the self-dealing prohibitions for private foundations under the federal tax laws. In those situations, board members and foundation managers can be personally liable because they engaged in the transaction, approved them, or both.

Second, conflicts of interest carry very real risks of negative public perception. As charitable institutions provided with special tax status, foundations are expected to serve the public trust. When they engage in improper transactions – or those that give the appearance of impropriety – the damage can extend well beyond their good name and reputation.

Lastly, conflicts can compromise the decision-making process, preventing board members and foundation managers from having open and candid discussions and, in some cases, from acting in the best interests of the foundation.

Conflicts of interest should either be avoided or managed in such a way that the foundation and its board and managers are protected from liability or unwelcome publicity. A written conflict of interest policy that is enforced provides safeguards to prevent transactions that may violate the law or a fiduciary's duties of care and loyalty to the organization. A written policy can also help identify transactions that give the appearance of a conflict of interest before they occur. This policy is intended to supplement but not replace any applicable laws governing conflicts of interest applicable to nonprofit and charitable corporations.

### **Applicability**

The policy set forth in this statement applies to all trustees, committee members, and employees ("interested persons") of the Episcopal Foundation of Dallas and the Episcopal Health Episcopal Hospital Foundation (the "Foundations") and applies to transactions between the Foundations and any interested person or a family member of the interested person, including spouse, parent, sibling, child, stepchild, grandparent or grandchild. It is difficult to define all potential conflict of interest transactions, but at least the following should be disclosed:

1. If you or any member of your family has an official relationship\* with any bank, vendor, investment manager, broker or other entity with which the Foundation regularly does business.
2. If you or any member of your family has an official relationship\* with any organization that has applied for or received a grant from the Foundation.

3. If you or any member of your family has applied for or received a grant from the Foundation.
4. If you or any member of your family has received, or is entitled to receive, any personal benefits from the Foundation or as result of your relationship with the Foundation (other than compensation directly related to your duties to the Foundation.)
5. If you or any member of your family has accepted a gift or favor from businesses and charities that have dealings with the Foundation.

\*An “official relationship” is defined as an officer, director, employee, partner, proprietor, or owner of 10% or more of the stock.

## **Policies and Procedures**

### **Acceptance of Gifts prohibited**

Trustees, committee members, and employees shall not accept gifts, entertainment, or other favors from businesses or charities that have dealings with the Foundations. This does not include incidental gifts, such as reasonable meals in connection with business meetings or low-cost promotional gifts.

### **Duty to disclose**

Trustees, committee members, and employees of the Foundations shall disclose any transactions or relationships involving a possible conflict of interest in regard to the Foundations.

### **Duty to recuse**

When any matter involving a conflict of interest is under consideration by the Foundations, the interested person should abstain from any preliminary or final involvement with the matter, including initial review and discussion, as well as any vote at the committee or full board level.

### **Records of proceedings**

The minutes of the board and all committees with board-delegated powers shall contain the names of persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, and any action taken. Whenever a trustee or committee member abstains from participation in a committee or board vote due to a potential conflict of interest, the abstention should be formally recorded in the meeting minutes.

### **Periodic review**

To ensure that the Foundations operates in a manner consistent with their charitable purposes and that they do not engage in activities that could jeopardize its status as an organization exempt from federal income tax, an annual review for any conflicts of interest shall be conducted by the Executive Director and reported to the Chairman of the Board of Trustees and the Audit Committee.

### **Confidentiality**

All information concerning actual or potential conflicts of interest on the part of the trustees, committee members or officers of the Foundation shall be held in confidence unless the best interests of the Foundations dictate otherwise.

### **Administration of Policy**

The Audit Committee of the Board of Directors shall have responsibility for overseeing the enforcement of this policy and shall report to the Board of Directors.

**Episcopal Foundation of Dallas and Episcopal Health Foundation of Dallas**  
Conflicts of Interest Annual Disclosure Statement

I, the undersigned, being a Trustee, Committee Member or Employee of the Episcopal Foundation of Dallas and/or the Episcopal Health Foundation of Dallas (the "Foundations"), hereby state that:

1. I have read the Conflict of Interest Policy and agree to observe and adhere to the policies and procedures outlined therein.
2. I do not have, nor does any member of my family have an official relationship as defined in the Conflicts of Interest Policy with any **corporation, partnership, association, or organization (including my church) that transacts business with or which has applied for or received a grant from the Foundations, except as noted below.**
3. I, as an individual, have not transacted business with or applied for or received a grant from the Foundations, nor has any member of my family, except as noted below.

**List below any exceptions to the above statements (effective currently or any time during the past calendar year). Please attach additional sheets if needed.**

I agree that if any situations arise, of which I am aware, that in any way contradict the above statement, I will immediately notify a member of the Executive Committee of the Board of Trustees of any conflict, real or potential, and make full disclosure thereof.

\_\_\_\_\_  
Signature/Print Name

\_\_\_\_\_  
Date

**Instructions for Submitting**

**You may submit your completed form at the March board meeting.** Alternatively, you may mail your completed Conflicts of Interest Annual Disclosure Statement to the Foundation office at 10000 N. Central Expressway, Suite 400, Dallas, TX 75231. You may also scan and email to [exec@episcopalfoundationdallas.org](mailto:exec@episcopalfoundationdallas.org).



## 2020-2021 Board Commitment Form

### EFD MISSION, VISION, AND VALUES

#### Mission

The Episcopal Foundation of Dallas exists to strengthen and support faith communities by partnering wise investments with purposeful giving.

#### Vision

The Episcopal Foundation of Dallas aspires to free our ministries – grow wealth through wise investments, lift financial burdens of those who serve, and maximize the impact of our shared missions.

#### Values

- We support ministries of social engagement of the Gospel
- We practice disciplined investing
- We are motivated by the Christian faith
- We are led by committed laity and clergy

### WHO WE ARE

Established in 1950, we are a separate nonprofit organization established to invest and administer the funds of the Episcopal Diocese of Dallas and its parishes, schools and missions as well as the Episcopal Health Foundation of Dallas.

### BOARD MEMBER DUTIES

As a member of the EFD Board of Trustees, I am committed to supporting the organization through giving my time and expertise, providing financial support, and raising awareness for its mission. This contract outlines how I will contribute to furthering the mission, vision, and values of the organization.

#### Board Governance

- I was provided a copy of EFD's bylaws. I will familiarize myself with the bylaws, board manual, and any operating policies that are made available to me. I will act in accordance with the information outlined in the board manual, and I understand that I am morally responsible for the health and wellbeing of the organization.
- Board Member Terms are three years with an option to be elected to two subsequent three-year terms.
- I will keep in confidence, all business affairs of the Foundation, including but not limited to potential donor lists, contracts details, solicitation strategies, investment plans and other business affairs.

#### Board Activities

- I will make attendance at all four annual board meetings a top priority
- I will actively participate in a board committee or task force
- I will help recruit new board members and make recommendations to the Governance and Nominating Committee.

**Development Activities**

- All board members are encouraged to give an annual personal donation in an amount relative to financial ability and at a time that best accommodates their financial obligation.
- I will engage my personal and business network throughout the year as deemed appropriate for donations or relationships that support the mission of EFD.
- I will support EFD activities by attending client or potential client visits as needed.

**Outreach Activities**

- All board members are encouraged to support and promote the grants program by attending site visits to grantee organizations as time permits.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (Please Print) \_\_\_\_\_

Please complete this form and return to Pam Fellows Jamieson at [exec@episcopalfoundationdallas.org](mailto:exec@episcopalfoundationdallas.org).  
Thank you for your service and support.

## **EPISCOPAL FOUNDATION OF DALLAS**

### Document Retention Policy

The corporate documents of the Episcopal Foundation of Dallas (the "Foundation") include all documents produced, whether stored as a hardcopy or in an electronic format.

The goals of this policy are:

- (1) to ensure that all non-critical documents are retained for the minimum period necessary to meet the needs of day-to-day operations;
- (2) to ensure that all critical documents, including those which may substantially affect the obligations of the Foundation or document the Foundation's compliance with the law, are retained for a sufficient period of time as to be useful to that end; and
- (3) to ensure that documents are destroyed only pursuant to a standard policy that has been developed for business reasons.

The Foundation expects all employees to fully comply with the Foundation's documents retention policy unless, the Foundation documents are relevant to litigation, or potential litigation. Then those documents shall be preserved until the Executive Director determines the documents are no longer needed. That exception supersedes any established destruction schedule for those documents.

Work related e-mail is a Foundation record and must be treated as such. It is the responsibility of the Foundation employees to manage email messages according to the Foundation's documents retention policy. E-mail that does not meet the definition of a Foundation document (i.e., personal e-mail or junk e-mail) should be deleted from the system right away.

E-mail correspondence which falls under one of the protected types of documents addressed in this policy should be saved by creating an electronic copy of it for the period specified in the policy. E-mail correspondence which does not directly fall under one of these categories may be kept as long as the staff member believes it is necessary but no more than two years.

Those documents whose continued preservation serves no useful purpose and may, in fact, expose the Foundation to storage costs and liability shall be promptly and systematically deleted and destroyed by the employee who generated them. These include, but are not limited to, personal e-mails and correspondence unrelated to Foundation matters; preliminary drafts of letters and memoranda if a final version has been retained; brochures and newsletters received by the Foundation unrelated to its activities; and any "junk mail" received by the Foundation

Attached to this policy is a Documents Retention Schedule. This Schedule sets forth the recommended retention periods for each category of documents. The categories are intended to be general and should be interpreted as including all types of documents relating to that category, including correspondence, notes, reports, etc.

Documents from the preceding list will immediately be destroyed after EFD's retention period has been met. The Controller will be responsible for this schedule and for the destruction of documents, following these guidelines:

- (1) The retention period begins following the last day of the year in which the record is dated.
- (2) Documents may be discarded or destroyed at any time following the Retention Period.  
The manner of discard or destruction will be determined with respect to individual privacy and corporate integrity.
- (3) Notwithstanding the retention schedule, documents may be retained for longer periods at the discretion of the Foundation's Executive Director.

This information is intended as a guideline for retention of documents; it is not a comprehensive list of all types of documents the Foundation might have. In addition, some individual documents within a given category will have more significance than others, depending on the circumstances, and may warrant retention beyond the time period indicated below.



<b>Episcopal Foundation of Dallas - Documents Retention Schedule</b>		
Category of File	Item	Retention Period
Corporate Documents	Articles of Incorporation and Bylaws	Permanent
	Board Policies/Resolutions	Permanent
	Corporate Certificate and Documents	Permanent
	IRS determination letters	Permanent
	Board meeting agendas & materials	Permanent
	Board and committee meeting minutes	Permanent
	Trustee - Conflict of Interest Disclosure Forms	7 years
Accounting	Audited Financial Statements and Audit Report	Permanent
	Bank statements and Reconciliations	7 years
	Client investment statements	7 years
	General ledger & journals	Permanent
	Check register, checks, deposits	7 years
	Equipment records	7 years after disposition
	Expense reports & payables	7 years
	Payroll documents (W-2s, W-4s, copies of payroll tax returns, amounts and dates of all wage payments, dates and amounts of all tax deposits)	7 years
Investments	Investment performance reports	7 years
	Investment manager correspondence	7 years
	Investment manager contracts	7 years after all obligations end
	Investment advisor reports	7 years
	Investment statements	7 years
Tax	Moved to Corporate Documents	
	Form 990	Permanent
	Correspondence with legal counsel or accountants regarding Form 990 filings	7 years after return is filed
Technology	Software licenses & support agreements	7 years after all obligations end
Legal and Insurance	Deeds	Permanent
	Insurance Policies	Permanent
	Legal Correspondence	Permanent
	Contracts & Agreements	7 years after termination
	Insurance Accident reports	7 years

	Insurance Claims (after settlement)	7 years
	Leases (expired)	7 years
Development	Fund agreements (signed)	Permanent
	Fund correspondence relating to terms of the fund	Permanent
	Trust agreements	Permanent
	Trust correspondence	Permanent
	Gift acknowledgments	7 years
	Gift solicitations	7 years after final distribution of funds received in response to solicitation
Program / Grantmaking	Approved grants – all documentation supporting grant payment, including application/recommendation, due diligence, grant agreement letters, and grant transmittal letters.	Permanent
	Approved grants - post grant reporting information, outcome analysis.	7 years
	Documents from grants committee, including minutes, if any and lists of grants recommended for approval.	7 years
	Scholarship grant documents, including applications if EFD participates in selection decisions	Permanent
	EFD funding requests, correspondence and reports (funding received)	Permanent
	Declined/withdrawn grant applications	1 year
	EFD funding requests (denied)	1 year
Human Resources	Employee handbooks	Permanent
	Employment applications	3 years
	Resumes	3 years
	Contracts with employees/consultants	7 years after contract ends
	Workers comp claims (after settlement)	7 years

## **EPISCOPAL FOUNDATION OF DALLAS**

### **Executive Director Review Process**

#### **Overview and Purpose of the Evaluation Process**

The Executive Director (ED) is the one employee that reports to the Board of Directors. As such, the Board is responsible for supporting, evaluating and collaborating with the ED as s/he pursues fulfilling the mission of the organization. The ED's goals are focused on accomplishing the organization's strategic priorities, which vary year by year but are grounded in the mission of the organization and a multi-year strategic plan.

The purpose of the ED evaluation is to provide support and feedback to the ED as s/he pursues the mutually established goals set out at the start of each year. As such, ongoing support – as well as the more formal evaluation process – work together to ensure the ED's ability to learn and develop as the organization's leader.

#### **Annual Evaluation Process**

##### **Audit and Administrative Committee**

The Audit and Administrative Committee is charged with overseeing the process of the annual evaluation of the ED and to recommend to the Executive Committee the salary and any additional contractual requirements for the following year. In addition, the Audit and Administrative Committee (collectively) and the Board Chair (individually) provide ongoing support and input throughout the year.

##### **ED Self-Evaluation**

The ED is encouraged and supported to find the time for intentional reflection on his/her progress toward the mutually established goals set out at the start of the year. Once a year, the ED will prepare a written self-evaluation of his/her reflections and recommendations on how he/she can develop in the areas that will best benefit the future of the organization.

##### **Acquiring Input**

The Board of Directors recognizes the value of soliciting input from a representative group of constituencies. Each year, the Audit and Administrative Committee will solicit input from the Executive Committee and Staff members via an anonymous and confidential online survey. All input is collected anonymously and summarized in a report and shared with the Board of Directors and with the Executive Director. The Audit and Administrative Committee will exercise its best judgment in determining the relevance and constructiveness of the input and how it relates to goal-setting for the ensuing year.

##### **Review Meetings**

The Executive Committee will conduct one annual review meeting with the ED before the November Investment Committee meeting. This meeting provides an opportunity to share feedback, ideas and explore any necessary adjustments to the budget, goals and/or workplan for the following year.

##### **Board Report**

The Executive Committee will present to the Board in executive session the results of the end-of-year review meeting.

##### **Salary Review**

As part of the end-of-year review, the ED's salary shall be reviewed and adjusted accordingly, upon Board approval.

## Calendar

**October:** The ED prepares a self-evaluation of progress (based on the goals and workplan) and submits the self- evaluation to the Executive Committee and Board Chair. The ED drafts annual goals for the following year to provide input to the budgeting process.

**November:** The Executive Committee has a year-end meeting with the ED to provide performance feedback (based on the goals and workplan). The Audit and Administrative Committee agree on annual goals before the November Investment Committee meeting.

Salary is reviewed, and any adjustments are recommended for full Board approval. Relevant documents are placed in the ED's personnel file. The Executive Committee reports on the results of the end-of-year meeting and proposes any salary adjustments for vote in closed session at the December board meeting.

**December:** The Audit and Administrative Committee, the Executive Committee, and ED review the evaluation process, adjusting as necessary. The ED creates a workplan that outlines how the goals will be operationalized and submits the workplan to the Board Chair for distribution.

# **Episcopal Foundation of Dallas**

## **Gift Acceptance Policy**

### **Confidentiality**

All information concerning donors or prospective donors including names and addresses, names of beneficiaries, the amount of gifts, nature and worth of estates, etc., shall be held in strict confidence by the Foundation and its personnel. Exceptions can be made only if donors grant permission to use selective material for purposes of referral, testimonial or example at the discretion of authorized representatives of the Foundation.

### **Legal Counsel**

Prospective donors shall be advised to consult their attorney or accountant in all matters related to the tax implications and estate planning aspects of deferred gift arrangements. The Foundation shall consult with legal counsel in all matters pertaining to its deferred gift program and shall execute no agreement, contract, trust or other legal document with any donor without the services of legal counsel.

### **Restrictions**

Donors may restrict the use of their gifts to a particular purpose or area of support provided that such restrictions are provided in written form and signed by the donor at the time of the gift; that restrictions comply with Internal Revenue code as it applies to the tax-exempt status of the Episcopal Foundation of Dallas; and that restrictions are compatible with the mission of the Foundation and are board approved. Gifts that are unrestricted by the donor may be designated for a particular program, project or fund.

### **Gifts of U.S Funds and Marketable Securities**

The Episcopal Foundation of Dallas may accept unrestricted gifts of U.S. funds received via wire from a U.S. bank or financial institution or a check drawn on a U.S. bank or financial institution clearing through a U.S. Bank at any time. The Foundation does not accept currency.

The Episcopal Foundation of Dallas may accept gifts of marketable securities such as publicly traded stocks, mutual funds, municipal and corporate bonds, government agency bonds and bonds, bills and notes issued by the US Treasury. The Investment and Finance Committee has determined that all securities will be liquidated as soon as is practical and placed in the appropriate account to the extent specified by the donor and/or designated by the board.

### **Gifts of Real Estate**

Real estate gifts include residences, rental property, land, farms, ranches, leasehold interests and commercial properties. Gifts of real estate will be accepted by the Foundation upon board approval and sold. Prior to the acceptance of any real estate gift by the Foundation, the donor must provide (including but not limited to the following):

1. A written appraisal of the property by a qualified, independent, professional appraiser, the cost of which will be borne by the donor;
2. A title policy for the property or title examination;
3. An environmental study; and,
4. A description of any liens against the property.

Donors of property gifts must seek their own legal and tax counsel in regard to all property gifts. The Foundation reserves the right to refuse gifts of property when it is determined that the donor has not complied with IRS appraisal requirements or that the advice of an independent counsel is not being obtained.

Donors of property gifts will receive an acknowledgment of the gifts only when complete transfer has occurred.

### **Gifts of Personal Property**

Gifts of personal property, such as jewelry, art, collectibles and similar items may be accepted and disposed of upon board approval. Prior to such acceptance, the Executive Director must obtain the following:

1. A bona fide appraisal or documentation of fair market value;
2. A written statement from a broker regarding the marketability of such gift;
3. A written statement from the donor regarding the donor's wishes regarding the sale of such gift.

### **Gifts of Life Insurance**

The Episcopal Foundation of Dallas may accept gifts of life insurance through the following mechanisms:

- The donor may name the Foundation as the beneficiary of an existing life insurance policy. The donor will be asked to provide the Foundation with a copy of the policy and the beneficiary designation, with the understanding that the designation may be changed or revoked at any time by the donor.
- The donor may make a pledge and/or cash contribution to the Foundation with the proceeds of the gift to be restricted for the sole purpose of purchasing or maintaining life insurance at the direction of the donor. Provision must be included for future premium payments at the time of the gift.
- The donor may make a gift of insurance through the transfer of ownership of an existing paid up policy. The Foundation will become the owner and beneficiary of the policy and the beneficiary may not be changed at a later date by the donor.

### **Gifts of Mineral Assets**

Gifts of producing oil and gas royalty interests may be accepted and disposed of subject to board approval.

### **Gifts of Closely Held Securities**

Gifts of closely held securities will be accepted on a case-by-case basis upon board approval. The Executive Director must ascertain that such a transfer and subsequent sale does not violate any portion of the Internal Revenue code, regulations or rulings, or any state or federal law and does not jeopardize the tax-exempt status of the Foundation.

### **Deferred Gifts**

Deferred gifts are those in which the property is irrevocably transferred to the Foundation but income from the property or a life estate in the property is retained by the donor. Charitable remainder trusts, pooled income gifts, life estates and other such gifts must be approved by the board prior to acceptance by the Foundation.

If the donor retains a life estate in a personal residence, farm or ranch, an agreement shall be executed between the Foundation and the donor which states that the donor shall be responsible for all upkeep, taxes, insurance and other expenses required for the maintenance of the property until such time as the property is transferred to the Foundation.

### **Gifts-in-Kind**

Gifts-in-kind are tangible gifts other than cash, marketable or privately held securities, or real property. Gifts-in-kind of an undetermined value will be recorded at one dollar (\$1.00) and acknowledged as received with no value stated.

The gift value of a gift-in-kind is determined by the cost or fair market value of the materials on the date that ownership (possession) is transferred to the Foundation. Evidence of fair market value can be: (1) a canceled invoice for the purchase of the product by the donor; (2) a voided invoice from the donor to the Foundation, or a third-party appraisal.

The fair market value of a gift-in-kind does not include a profit margin or markup by the donor. Essentially, gifts-in-kind are made "at cost." Donor recognition will be based upon the value of the gift-in-kind as documented and recorded in the campaign records.

### **Service**

Gifts of service are contributions of actual, billable service directly related to the business or profession of the provider. Gifts of services will be recognized at the level of actual expenses invoiced but not paid. Evidence of a gift of service will be a voided or canceled invoice stating the date, type of service rendered, quantity cost, total cost and amount to be contributed or forgiven.

### **Pledges**

Payment of commitments to the Foundation may take the form of one or a combination of the following: cash, marketable securities, or real property that can be expected to be converted to cash within a reasonable time period. Commitments will be publicly recognized and/or commemorated consistent with the donor's wishes and the guidelines approved by the Foundation. Requests by donors for anonymity will be honored. Gifts will not be accepted where there is no charitable intent on the part of the donor. No verbal pledges will be recognized as having been made. Either a signed pledge or letter of intent must be in the organization's possession before a pledge is recorded. The normal pledge payment period for gifts to the Foundation will be one to three years. With Board approval, exceptions can be made for planned gifts. Donor recognition will be based upon the full payment of pledge commitments.

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\*" Board approval/approval of the board" as used in this document shall mean approval by a majority of the members present at a regular or called meeting of the board of directors, as provided for in the bylaws, at which a quorum of the board is present and provided that written notice of such meeting and the agenda items is provided to board members at least five days prior to said meeting. When approval at a regularly scheduled quarterly meeting of the Board cannot be obtained in a timely manner, the executive committee of the Board, in accordance with the preceding policies, may accept a gift on the Board's behalf, or may authorize the Executive Director to accept a gift.

## **EPISCOPAL FOUNDATION OF DALLAS**

### Gifts in Honor of Trustee Service Guideline

The Episcopal Foundation of Dallas honors retiring board members for their service with a grant to an approved charity. Funds from the Julie and Louis Beecherl Trustee Fund are used for these grants with the following stipulations:

1. The organization must be a 501(c) 3 organization.
2. The organization must be vetted through the Grants Committee.
3. The amount will be \$1,000 for board members, \$2,000 for board chair
4. The checks will be delivered in person when possible.





## **EPISCOPAL FOUNDATION OF DALLAS**

### **Investment Policy Statement**

#### **Organizational Summary**

The Episcopal Foundation of Dallas is organized as a Texas non-profit corporation and is qualified as a Section 501(c)(3) exempt organization.

The Foundation is a separate, independent entity, organized and operating outside of the jurisdiction of the Episcopal Diocese of Dallas, The Episcopal Church and the Diocesan and General Conventions of the Church with its own independent Board of Trustees

#### **Investment Objectives**

The Board of Trustees of the Foundation is responsible for implementing the following investment objectives:

- A. Preservation of the assets through an investment return sufficient to offset inflation.
- B. Enhancement, where possible, of the assets through an investment return sufficient to achieve payout objectives and to preserve the real value of the corpus.

#### **Definition of Responsibilities**

The Board of Trustees has the final authority with respect to the invested assets of the Foundation and for the Investment Policy Guidelines adopted for the supervision of such assets.

The Board of Trustees shall appoint an Investment and Finance Committee ("Committee") of 10 members or less who will be responsible for the supervision of the investment portfolio of the Foundation, subject to the Investment Policy.

The Committee assists the Board of Trustees in carrying out its duties as follows:

- Develops and reviews the Foundation's investment policies.
- Ensures that the investment policies are disciplined and consistent.
- Allocates assets among investment managers and investment styles, including selection of acceptable asset classes, allowable ranges of holdings by asset class and individual investment managers as a percent of assets, the definition of acceptable securities within each asset class, and investment performance expectations.
- Communicates investment policies to the investment managers. The Committee will review investment performance at least quarterly to assure the policy is being followed and progress is being made toward achieving the objectives.
- Evaluates managers and total fund performance at least annually.
- Evaluates custodians, investment managers and consultants.
- Reports to the Board of Trustees quarterly.

## **Investment Policy Guidelines**

The following guidelines have been established for investments. The standards and ratios are based upon current circumstances and may be revised by the Committee at any time.

**ASSET ALLOCATION AND POLICY:** Assets shall be invested with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters, would use in investing the assets of like character and kind.

Assets shall be structured to meet the liquidity requirements of the Foundation.

Outlined below are the long-term strategic asset allocation guidelines, determined by the Committee to be the most appropriate, given the Fund's long-term objectives and short-term constraints. Portfolio assets ("Portfolio") will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines:

<b>Asset Class</b>	<b>Sub-Asset Class</b>	<b>Target Allocation</b>
<b>Equity</b>		<b>70%</b>
	Domestic (U.S.)	42%
	International (Non-U.S.)	28%
<b>Fixed Income</b>		<b>24%</b>
	Investment Grade Domestic	18%
	Investment Grade Int'l	6%
<b>Alternatives</b>		<b>6%</b>
<b>Cash</b>		<b>0%</b>

**REBALANCING POLICIES:** It is expected that the Portfolio's actual asset allocation will vary from its target asset allocation as a result of the varying periodic returns earned on its investments in different asset and sub-asset classes. The Portfolio will be re-balanced to its target normal asset allocation under the following circumstances:

- A. Utilize incoming cash flow (contributions) or outgoing money movements (disbursements) of the portfolio to realign the current weightings closer to the target weightings for the portfolio.
- B. The portfolio will be reviewed quarterly to determine the deviation from target weightings. During each quarterly review, if any Asset Class (defined as Equity, Fixed Income, Alternatives, or Cash) within the portfolio is +/-5 percentage points from its target weighting, the portfolio will be rebalanced.
- C. The investment manager may provide a rebalancing recommendation at any time.

- D. The investment manager shall act within a reasonable period of time to evaluate deviation from these ranges and promptly notify the Committee.

### **Prohibited Investments and Practices**

Unless expressly authorized by the Committee, the Portfolio and its investment managers are prohibited from:

- A. Purchasing securities on margin or executing short sales.
- B. Pledging or hypothecating securities, except for loans of securities that are fully collateralized.
- C. Purchasing or selling derivative securities for speculation or leverage.
- D. Engaging in investment strategies that have the potential to amplify or distort the risk of loss beyond a level that is reasonably expected given the objectives of their portfolios.

### **Portfolio Monitoring and Performance Expectations**

The Committee will monitor the Portfolio's investment performance against the Portfolio's stated investment objectives. At a frequency to be decided by the Committee, it will formally assess the Portfolio and the performance of its underlying investments as follows:

- A. The Portfolio's composite investment performance (net of fees) will be judged against the following standards:
  - 1. The Portfolio's absolute long-term real return objective.
  - 2. A composite benchmark consisting of the following unmanaged market indices weighted according to the expected target asset allocations stipulated by the Portfolio's investment guidelines.
    - a) U.S. Equity: CRSP US Total Market Index or a similar broad domestic equity index
    - b) Non-U.S. Equity: FTSE Global All Cap ex US Index or a similar broad international equity index
    - c) Investment Grade Fixed Income: Barclays Capital US Aggregate Float Adjusted Index and/or Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD hedged)
    - d) Alternatives - TBD
    - e) Cash: Citigroup 3-Month T-Bill Index
- B. The performance of investment managers hired on behalf of the Portfolio will be judged against the following standards:
  - 1. A market-based index appropriately selected or tailored to the investment managers agreed-upon investment objective and the normal investment characteristics of the investment manager's portfolio.
  - 2. The performance of other investment managers having similar investment objectives.

- C. In keeping with the Portfolio's overall long-term financial objective, the Committee will evaluate Portfolio and investment manager performance over a suitably long-term investment horizon, generally across full market cycles or, at a minimum, on a rolling five-year basis.
- D. Investment reports shall be provided by the investment manager(s) on a (calendar) quarterly basis or as more frequently requested by the Committee. Each investment manager is expected to be available to meet with the Committee once per year to review portfolio structure, strategy, and investment performance.
- E. The Board of Trustees will review the Foundation's investment policy annually.

## **Episcopal Foundation of Dallas**

### **Spending/Distribution Guidelines**

The Episcopal Fund and Trustees Fund are comprised of unrestricted assets. The intent of the Board of Trustees is that these funds remain unrestricted and not subject to any self-imposed limits that create designated net assets. For planning purposes and to demonstrate due diligence, this spending guideline has been established to aid in determining a reasonable amount of funds to distribute from these fund each year.

The Board of Trustees determines the amount to be distributed from the Episcopal Fund and the Trustees Fund using a “total return” approach. The total return of a portfolio is the combination of interest, dividends and other current net earnings, plus capital appreciation or less capital depreciation for the period. The total return concept will not only distribute current income from investments but may, over time, also utilize a portion of capital appreciation as part of the distribution rate.

The objective is to allow the Foundation to be as generous and as consistent as possible while preserving the value of the fund. Rather than being driven by Foundation earnings in the previous year, the amount distributed is determined by the average of the fair market value of the funds over the past five years. This method has the advantage of smoothing out and minimizing market fluctuations from year to year.

#### **Episcopal Fund**

The primary purpose of the Episcopal Fund is to support the Foundation’s grant program. The Episcopal Fund also supports annual operations of the Foundation through the administrative fee paid by all clients/accounts making up the investment portfolio.

The amount to be distributed from the Episcopal Fund each year for grants using a total return - approach is equal to an agreed-upon percentage of up to 5%, as approved by the Board of Trustees. The spending percentage may fluctuate each year and is a guideline.

#### **Trustees Fund**

The primary purpose of the Trustees Fund is to provide operating support to the Foundation.

The amount to be distributed each year for operating support from the Trustees Fund using a total return approach is equal to an agreed-upon percentage of up to 5%, as approved by the Board of Trustees. The spending percentage may fluctuate each year and is a guideline.

#### **Other Consideration**

In the event the Foundation is unable to support operations with revenue generated from administrative fees, operating support may be provided by the Episcopal Fund with Board approval. If that occurs, the amount available to grant will be reduced by the amount distributed to support operations.

# **Episcopal Foundation of Dallas**

## **Whistleblower Policy**

### **Introduction and Purpose**

The Episcopal Foundation of Dallas (the "Foundation") is committed to pursuing its charitable mission in compliance with all relevant legal and regulatory requirements and in compliance with the governing documents of the Foundation. The purpose of this policy is to set forth procedures for reporting, investigating, and addressing alleged violations of such requirements.

### **Duty to Report**

If any employee or volunteer of the Foundation reasonably [in good faith] believes that some policy, practice, or activity of the Foundation, or of a representative of the Foundation purportedly acting on behalf of the Foundation, is in violation of law or regulation or [materially] fails to comply with the Foundation's governing documents (including its Certificate of Formation, its Bylaws, and its adopted policies), the employee or volunteer must report his or her concern in compliance with this policy.

### **How to Report**

An employee or volunteer reporting a concern pursuant to this policy shall report such concern to the Executive Director of the Foundation. If the individual raising the concern is uncomfortable communicating with the Executive Director, or if the Executive Director is a subject of the concern, the individual must report the concern directly to the chair of the Board of Trustees of the Foundation or Chancellor of the Episcopal Diocese of Dallas. A concern may be reported orally or in writing, but if reported orally shall be documented in writing by the person receiving the report. A concern may also be reported anonymously by an employee or volunteer.

### **Investigation of Concerns**

The Executive Director shall address all concerns reported under this policy except for those concerns reported directly to the chair of the Board of Trustees of the Foundation or Chancellor of the Episcopal Diocese of Dallas in accordance with this policy. All non-frivolous concerns will be investigated promptly and a report of such investigation, along with recommendations for any appropriate corrective action, shall be made to the Board of Trustees. All employees and representatives of the Foundation must cooperate fully with the person leading the investigation. The Board of Trustees or a committee authorized by the Board shall have the sole authority to authorize action, if necessary, with regard to any reported concern.

### **Protection of Employee or Volunteer**

The Foundation will not discharge or otherwise discriminate or retaliate against an employee or volunteer who reports a concern under this policy, in good faith and on the basis of a reasonable belief that the facts reported are in violation of law or regulation or fail to comply with the Foundation's governing documents. Disciplinary measures, up to and including discharge, may be taken against any Foundation employee who threatens or discriminates against a person who reports a substantial concern in accordance with this policy.

### **No Protection for Improper Reports**

An employee or volunteer shall be subject to discipline if he or she makes a report that is determined to be frivolous or made for an improper purpose, such as for inter-personal reasons or based solely on rumor or speculation. Moreover, an employee or volunteer is protected under this policy only if the employee or volunteer reports the concern in accordance with this policy.

**Confidentiality**

Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation and response. Caution must also be exercised in the investigation of concerns to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. Investigation results are not to be disclosed or discussed with anyone other than those who have a legitimate need to know.