Vision Statement

“To be the leading financial and educational stewardship resource agency for United Methodists.”

Mission Statement

“To energize the ministries of United Methodist churches and related agencies by providing financial services and educational programs that promote faithful stewardship.”

Core Values

INTEGRITY: Serve faithfully with prudence and loyalty, committed to socially responsible investing as defined in the Social Principles of the United Methodist Church.

EXCELLENCE: Provide superior educational, investment and financial services.

CHRIST-CENTERED: Recognize our work as a God-given ministry.

TEAMWORK: Work with and support the missions of those we serve.
Message from the Board Chairperson

In 2010 the Board and staff of UMFNE was called upon to demonstrate the importance of the institutional strength and stability we have been working to develop as an institution since its founding in 1991. The year began with a commitment to several important goals: (1) to continue, expand and enhance our successful stewardship training program, “Faith and Money”; (2) to revitalize the Foundation's Grants and Financial Assistance Ministry; (3) to develop and adopt an extension of our long term strategic plan which has guided the Foundation since 2005; (4) to extend the Foundation’s ministry to the Vermont churches which joined NEAC on July 1, 2010; and (5) last, but by no means least, to build on the solid investment performance of the funds entrusted to us by our investing churches and agencies.

Our plate was full, and our energy and commitment was high. Progress was being made on each of those goals and there was momentum building when in mid-year Wee-Li Tan, our President of 12 years, notified us that he would be leaving in the fall to become President of the Florida United Methodist Foundation, one of the largest Methodist foundations in the country. While the loss of a transformational leader such as Wee-Li was a surprise and disappointment to the Board and staff alike, we celebrated his selection, and prayed for his continued success in his new position. To the Board and staff the challenge was clear. We needed to continue normal operations including the progress we had been making toward our goals for the year while instituting a national search for a new President.

I am pleased to report that thanks to the efforts of our outstanding staff and the extra time and attention provided by our Board Members, the support of our Methodist agency partners along with Bishop Weaver and the Annual Conference staff, we did not miss a beat in our delivery of services and made substantial progress toward meeting our 2010 goals. While Phase Two of “Faith and Money” was rolled out for select church clusters stressing the value of year round stewardship, the original “Faith and Money” training was well received by two church clusters in Vermont. A revamped and targeted Grants and Financial Assistance Ministry program was approved and the first grants were made to programs sponsored by local churches and agencies focused on stewardship, family growth and development and personal needs. A very successful Board Annual Fund Drive along with a match from a former director helped fund both current grants but increased our growing endowment in support of the Grants Program. The investment performance of our funds under management for investing churches and agencies continued its pattern of outperforming its benchmarks and the revision of our strategic plan was shortened to an interim plan in order to give a new president the chance to provide his input into the longer range plan which we had envisioned.

The best news is saved for last! Our national search for a new president was successfully concluded when we were fortunate to attract and hire The Reverend Dr. James G. Mentzer. Jim is an ordained Methodist minister serving in the North Carolina Conference as the second in command of the United Methodist Foundation of North Carolina. We expect Jim to join us in the late spring of 2011. We look forward to benefiting from his demonstrated talents and experience in leading the increasingly varied ministries of your Foundation.

Peace, Dave
Inspiring Generosity
An Interview with Neil & Anne Harper by Gary Melville

Before the United Methodist Foundation of New England was formally established in May of 1991, a small task group met to find leadership for this new organization. With the merger of three Conferences, having a strong local Foundation was a priority for the newly established New England Conference. G. Neil Harper, the Treasurer of the Southern New England Conference, had just sold his business clearing the deck for what God had in mind for him. It was Rev. Blaine Taylor who was charged with asking Mr. Harper to consider playing a major role in creating the United Methodist Foundation of New England. As Neil recalls, “I was ready for a new venture having sold my business. Being an entrepreneur, this was an intriguing opportunity; it had all the aspects of starting a new business. There was no structure, no facility, no policies and procedures, no bylaws, and, at that point, no staff or payroll.”

Clearly, for those involved, finding an individual devoted to the United Methodist Church and with the right skill set, was a work of the Holy Spirit. As Neil shared, for the next ten years he gave his heart, time and soul to the Foundation. Current and former board members, as well as staff, acknowledge there would be no United Methodist Foundation in New England without the caring stewardship of G. Neil Harper.

Neil and his wife, Anne Yost Harper, have been and continue to be strong financial partners with the Foundation. In 2010, the Harpers, with the assistance of President Rev. Wee-Li Tan, designed a matching $25,000 major gift to support the Grants & Financial Assistance Ministry. Their generosity and leadership paved the way for the Foundation’s largest Annual Appeal, raising $31,596.08 from our Board and Friends of the Foundation! As I shared the good news of the response to their matching gift, we had a few moments to reflect and Neil and Anne agreed to a short interview.

How long have you been married, and how did you meet?
Anne, “It will be 52 years this year. We met in church.” Neil added that, “It was at the Wesley Foundation of the Harvard Epworth Church. (The church they still attend.) About 100 students from the surrounding colleges would cook and share
a meal; there would be a guest speaker and a time of fellowship.” Neil, who came from Arkansas, was attending M.I.T. and Anne, from Kentucky, was attending Wellesley College. Both Neil and Anne had strong United Methodist roots; Anne having several preachers in the family tree. Anne noted that, “We were friends for three years when I asked him to attend a dinner, fending off some young men who might be asking.” Neil smiled, “Her parents were very happy that she went north to find a southern United Methodist.” You only need to spend a few minutes with Anne and Neil to feel and sense the warm love they have for each other. They were all smiles, almost what you would expect from newlyweds. Anne smiled as she said, “Before you arrived I was reading Neil a love poem, it was about your being my habit and memory.” (Neil said they were supposed to be packing to move to their new home in Cambridge.)

**Who taught you about being generous?**

“Parents!” They said in unison, as if rehearsing the answer. “One of my earliest memories was gathering 5 cents of my 20 cent allowance for my offering,” Neil said. For Anne it was learning tithing. “In fact,” she said, “The IRS questioned our contributions while Neil was in grad school.” Neil added, “We received several letters from the IRS questioning the level of our contributions before they understood our giving pattern.”

**Could you describe your faith journey? Have you experienced any pivotal moments?**

Neil shared first, “Church was central in our life. I remember polishing shoes on Saturday night, and getting my 5 cents for the collection. There was church service on Sunday morning and again on Sunday evening. We would go to prayer service on Wednesday evening. The church was central to our life, and it was a strong regional presence. There has not been any transformational event; faith has always been part of my life. It is organic.” Anne added, “Church was the central part of our life. Grandfather was a Methodist Pastor. I enjoyed having pastors visit because they had the most fun and interesting stories. (Neil said Anne’s grandfather was a great raconteur, as most southern pastors were good storytellers.) My earliest memory was at Communion. People were going forward, and I wanted to be part of the Church, so I started down the aisle. My mother stopped me, and another member told her she should let me go. Later we talked with my Grandfather, who said the youngest person he had receive Communion was five years old. I told him I would be five next week – that’s when I received Communion for the first time.” By example, Neil and Anne’s parents taught them the “Social Principles” (not yet formally named). Anne recalled, “My mother helped form a Girl Scout Troop for the daughters whose mothers were prostitutes. She was also instrumental in creating the first daycare for African Americans.”

**Are there ministries you feel called to?**

“As we are getting older,” Neil said, “We see our role as gracefully transitioning power to the younger generation. I have been intentional about saying no to board positions.” Anne added, “I am a worker, but not taking a leadership position. Younger people need an opportunity.” Neil responded, “I see my role as mentor, encouraging and coaching the next generation.”
Other than material wealth, what would you want your children to inherit?
Neil answered, and Anne concurred, “Faith.” The Harpers have a son who is single and has taken over Anne’s family’s flour mill business in Kentucky. They also have a daughter who is married and has four children. Their son is active at church; in the daughter’s family, however, Sunday morning sports have pre-empted active attendance at church. As with so many grandparents that have great faith, Neil and Anne continue to pray that their grandchildren have the opportunity to develop their own relationship with God.

The Foundation has been part of your life for at least 20 years. In what key areas do you believe the Foundation should concentrate its efforts over the next ten years?
Neil provided some context for his answer, reviewing a short history of the Foundation. The earlier years were centered on gathering church accounts, getting statements out without errors, and receiving a clean annual audit. He recalled Phil Susag, another Board Member, who championed the Grants & Financial Assistance Ministry that became a priority. “In order to make grants, the Foundation needs its own funds. The Foundation needs to focus its efforts on development and planned giving so that it can be named in estate gifts. Other institutions that we are involved with do a superb job of wining and dining donors, not that we would be wining, but we need to nurture relationships.” Neil added, “Don’t focus on the gift vehicle, the charitable trust, or gift annuity, rather help donors connect giving as the response to God’s love.”

Reflections:
At one point in the conversation, Neil and Anne shared that they work at “making life interesting.” Neil noted that part of their success is luck; being born in America to great parents, attending good schools and having good health. True enough – and it is a sign of humility to recognize their gifts. What you notice first with the Harpers is love. The second is that faith is part of their DNA; it is as natural as taking a breath. There is a spiritual dimension to their marriage - it is deep, real, and life giving. Yes, they have been given much, and, as an example to the rest of us, they have multiplied their gifts and their giving. By any measure they have made life interesting, and in doing so honored God, the source of their resources.
Services & Resources

For Churches

• Investment Services
• Planned Giving Services
• Stewardship Education
• Capital Campaign Services
• Foundation Loan Program
• Grants & Financial Assistance Ministry
• Allied Professional Ministry Program

For Donors

• Assistance with:
  ▶ Gift plan design & proposals to support local UM churches or agencies
  ▶ Trustee services for charitable trusts and professional management gifts
  ▶ Donor Designated Fund - creating family endowments to benefit churches & other charities
  ▶ Full range of life income arrangements
  ▶ Private & confidential gift planning advice

For Clergy

• Planning for a Life-Time of Ministry
• Stewardship & personal financial resources
• Guest preaching for Stewardship and/or Annual Financial Stewardship Campaigns

For further information on our workshops and seminars, call our office at 800-595-4347 X103 or visit www.umfne.org and click on Educational Programs
2010 Investment Performance Summary

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Latest Quarter</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since 12/31/94</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock Pool</td>
<td>10.01</td>
<td>14.20</td>
<td>-3.14</td>
<td>2.21</td>
<td>-0.25</td>
<td>7.99</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td>10.76</td>
<td>15.06</td>
<td>-2.86</td>
<td>2.29</td>
<td>1.41</td>
<td>8.47</td>
</tr>
<tr>
<td>60/40 Model Portfolio</td>
<td>5.47</td>
<td>10.26</td>
<td>-0.11</td>
<td>3.19</td>
<td>1.52</td>
<td>6.38</td>
</tr>
<tr>
<td>Balanced Index</td>
<td>5.67</td>
<td>11.51</td>
<td>0.46</td>
<td>3.98</td>
<td>3.27</td>
<td>7.38</td>
</tr>
<tr>
<td>50/50 Model Portfolio</td>
<td>4.34</td>
<td>9.27</td>
<td>0.65</td>
<td>3.44</td>
<td>1.96</td>
<td>5.98</td>
</tr>
<tr>
<td>Balanced Index</td>
<td>4.49</td>
<td>10.58</td>
<td>1.29</td>
<td>4.24</td>
<td>3.65</td>
<td>7.05</td>
</tr>
<tr>
<td>40/60 Model Portfolio</td>
<td>3.20</td>
<td>8.28</td>
<td>1.40</td>
<td>3.68</td>
<td>2.40</td>
<td>5.57</td>
</tr>
<tr>
<td>Balanced Index</td>
<td>3.30</td>
<td>9.64</td>
<td>2.11</td>
<td>4.50</td>
<td>4.02</td>
<td>6.71</td>
</tr>
<tr>
<td>Fixed Income Pool</td>
<td>-1.34</td>
<td>4.34</td>
<td>4.43</td>
<td>4.66</td>
<td>4.17</td>
<td>3.96</td>
</tr>
<tr>
<td>Barclays Capital Int Gov/Credit</td>
<td>-1.44</td>
<td>5.89</td>
<td>5.40</td>
<td>5.53</td>
<td>5.51</td>
<td>5.38</td>
</tr>
</tbody>
</table>

Returns are net of fees; indices are theoretical returns that do not reflect fees and other associated real world costs. All performance numbers are for the period ending 12-31-2010.

GIFTS OF STOCK & MUTUAL FUNDS

Don’t forget that donating appreciated marketable securities is a wonderful way to benefit your United Methodist charity of choice. The Foundation will be glad to assist you in donating securities to any United Methodist church or related agency.

Total stock transfers processed in 2010

$185,727

Contact Judy at the Foundation
1-800-595-4347 X101
**FOUNDATION ASSETS AT A GLANCE**

- **Local Church & Agency Investments** $ 51,903,512
- **NEAC Conference Investments** $ 24,907,728
- **Charitable Gift Annuities** $ 1,107,870
- **Charitable Remainder Trusts** $ 845,505
- **Foundation Assets** $ 3,023,913

**Total Foundation Assets** - $ 81,788,528
ASSETS UNDER MANAGEMENT
1995 - 2010

MILLIONS

1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010

$46,397,032
$51,676,888
$59,404,445
$70,234,763
$79,334,683
$80,334,439
$74,121,712
$65,525,013
$70,940,813
$68,739,808
$74,515,781
$76,704,221
$66,076,050
$73,478,008
$81,788,528
Rev. Richard E. Black  
_Lancaster, MA_

_Wesley K. Blair III_  
_Arlington, MA_

Rev. Sandra Bonnett-Kim  
_Wilmington, MA_

_Theodore Crass_  
_Andover, MA_

Patricia H. Deyton  
_Concord, MA_

_David W. Fitts_  
_New Castle, NH_

Rev. Thomas J. Gallen  
_Plymouth, MA_

_Joseph Gardino_  
_Danvers, MA_

Rev. Robert A. Hill  
_Boston, MA_

_Joan A. Humphrey_  
_Dover, NH_

Rev. Dr. Anne Marie Hunter  
_Marblehead, MA_

_Stephen Ives_  
_Hampstead, NH_

Kristine Kelley  
_Marlborough, MA_

_John Koduah_  
_Manchester, CT_

_Chelmsford, MA_

Robert B. Needham  
_Diane Peak_

_George Reagan_  
_Concord, MA_

John R. Regier  
_Kathleen Rood_

Alan B. Stayton  
_James D. Stephen_

M. Philip Susag  
_Kathleen Rood_

Janice Swenor  
_Alan B. Stayton_

Rev. Wee-Li Tan  
_James D. Stephen_

Mary Todd  
_M. Philip Susag_

Bishop Peter D. Weaver  
_Rev. Herbert B. Taylor_

Stanley M. Wilbur  
_N. Andover, MA_

Robert B. Needham  
_Wilmington, MA_

_Dover, NH_

_Belmont, MA_

_Roslindale, MA_

_Sudbury, MA_

_Ayer, MA_

_Manchester, CT_

_Westminster, MA_

_Londonderry, NH_

_Concord, MA_

_Lawrence, MA_

_Reading, MA_

_Tinmouth, VT_
UMFNE Staff

Dr. Bradley G. Call
Capital Campaign Consultant
email: bgcall@sbcglobal.net

Doris Connors
Accountant
email: doris@umfne.org

Pam DiMartino CPA
Director of Finance & Administration
email: pamd@umfne.org

Dan Hussey
Loan Officer
email: dan@umfne.org

Bonnie Marden
Development Associate
email: bonnie@umfne.org

Chris McGuire
Publishing & Development Administrator
email: chrism@umfne.org

Gary Melville ChFC
Director of Development
email: gary@umfne.org

Leanne Mentzer
Office Manager
email: leanne@umfne.org

Rev. Wee-Li Tan
President

Judy Vining
Accounts Manager
email: judy@umfne.org