

INVESTING IS LIKE PLANTING A TREE

BY LESLE M. KNOP



Lesle M. Knop
Executive Director

Over the past few years, my husband and I have planted numerous trees, bulbs and roses at our home in rural Miami County. On a warm evening a few weeks ago, as my husband removed the protective wires and stakes from a few of the sturdier Sycamores, he commented on how slowly the trees seemed to grow. "Someday someone will appreciate these trees," he said. Our first grandson was born soon after that evening and we opened a savings account in his name. Not much, we told the new parents, but it's a beginning. Perhaps it will help him with college when he's a young man or it could help him buy a first car. I hope the fund will grow as fast as he will. "Someday, he'll appreciate the fact that we opened this account," my husband said to the new dad. In 2009, the Catholic Foundation of Northeast Kansas will recognize its 20th anniversary. If we measure growth by trees and kids, a lot can happen in 20 years. The same may be said for some of our accounts. For example, Sacred Heart Catholic Church, Emporia, established their parish, school and cemetery endowments in 1989 with a deposit of \$5,000 each. As of March 31, 2008, with diligent promotion and frequent deposits, including memorials and bequests, and earned income from their investments, the balance of their funds is in excess of \$640,000. If you have been thinking about establishing a long-term or permanent endowment for your parish, school or organization, I'd like for you to consider being part of our 20th year anniversary. Let us help you get started. It's a bit like planting a tree, and then watering, pruning and feeding it, and watching it grow.

STAFF

Lesle M. Knop	Executive Director
Gary Pratt	Associate Director, Planned Giving
Michaela Clifford	Campaign Manager
Peg Ellington	Accountant
Dianna Bagby	Administrative Assistant

MISSION

The mission and purpose of the Catholic Foundation of Northeast Kansas are clearly defined to support the needs of 65,000 households, parishes, schools and ministries of the 21-county Archdiocese of Kansas City in Kansas by doing the following:

- Promote the spiritual mission of the Catholic Church by encouraging stewardship.
- Collaborate with parishes and institutions to develop additional resources and support.
- Build endowed funds to ensure the vitality of the Church and its ministries.
- Steward responsibly the funds entrusted to the Foundation.

The Catholic Foundation of Northeast Kansas was established in 1989 by Archbishop James Strecker as the Archdiocesan Foundation. The Foundation will celebrate its 20th anniversary in 2009.

A Timeless Faith is published to provide news and information about the Catholic Foundation of Northeast Kansas activities and programs. We regret any errors and/or omissions. Any questions or comments should be directed to:

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12615 Parallel Parkway
Kansas City, Kansas 66109

Giving to the Church

There are many ways to provide financial support to the Church. All methods are necessary and important, but each has a different objective.

- † Annual Parish Envelopes and Archbishop's Call to Share
- † Regular collections help to cover the general operating and program expenses of the parish and archdiocesan programs.
- † Capital Campaigns – multi-year programs to raise money for specific extraordinary expenses (e.g., to build an addition on a church, re-roof the school, etc.)
- † Catholic Foundation of Northeast Kansas – gives donors the means and flexibility to choose the causes they want to support today and in perpetuity – including their parish, school or other Catholic organization. CFNEK assists donors with planned giving on their timetable and to fulfill their charitable intent. By establishing a fund with CFNEK, donors are able to leave a legacy for generations to come.



THE CATHOLIC FOUNDATION
OF NORTHEAST KANSAS
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a Timeless FAITH NEWSLETTER

CATHOLIC FOUNDATION OF NORTHEAST KANSAS
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Stewardship Sharing Our Gifts

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Dear Friends in Christ,

The pastor's example and support in a parish's stewardship effort is critical to its success. As a pastor understands, accepts and fulfills his role in the stewardship effort, the more people in the parish will grow spiritually by committing and recommitting to stewardship as a way of life. While the pastor's leadership is essential, thriving parishes also need lay leaders who are witnesses for the rest of the community of living the spirituality of stewardship.

At a recent meeting of the Board of Directors of the Catholic Foundation of Northeast Kansas, I was grateful to spend time with leaders who spoke to the importance and impact of stewardship in their lives. Each member of the board told the others of the personal experiences that led them to their role as leaders of this important organization. They explained how they were called by the Holy Spirit to a life of service to the Church. At this meeting, I was able to bless and commission new directors Chris Arth, Larry Buessing, Leticia Garcia and Mark Schieber along with the other members of the board.

Just a few days earlier, I had ordained transitional deacon Shawn Tunick a priest for the Archdiocese of Kansas City in Kansas through the ancient apostolic tradition of laying on of hands on the anniversary of my own ordination May 24. A week later, I was also privileged to ordain three other men to the transitional diaconate. These are men that, God willing, will be ordained to the priesthood next year. I also welcomed a group of religious women of the Little Sisters of the Lamb who will establish their first North American presence right here in our archdiocese.

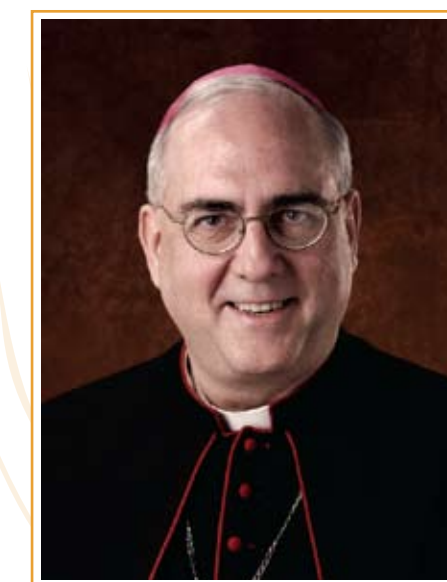
These recent important events are similar in that they remind us that the very purpose of our lives is to use our unique set of gifts for loving and serving God and neighbor. While not all will be called to the priesthood or to religious life, God desires that we freely choose to use our gifts and that our motives be love, thankfulness and justice.

I am pleased that so many capable men and women have generously shared their gifts to lead our Catholic Foundation of Northeast Kansas and that so many other lay leaders are assisting their pastors with cultivating a spirituality of stewardship in their parishes.

God has given us all many gifts out of his great love. May God continue to bless you and keep you in his care and protection.

Sincerely yours in Jesus, the Lord of Life,

Archbishop Joseph F. Naumann
Archdiocese of Kansas City in Kansas



MARKET VOLATILITY. WHAT DOES IT MEAN FOR OUR ENDOWMENT?

Markets rise and markets fall. What does that mean to fund trustees trying to be prudent steward of the funds in your endowment? The CFNEK takes its fiduciary responsibility very seriously to help our fund holders receive value for their relationship with us. In the first half of 2008 the stock market experienced a downturn that resulted in lower values for many of the funds held in the Catholic Foundation. It is important to understand how this affects the fund, future distributions, and the endowment trustees' responsibility to manage those funds.

Most of our fund holders are taking advantage of the long term potential for growth of being invested in the stock market through Christian Brothers Investment Services (CBIS) at the Catholic Foundation.

The first thing our fund holders who are taking distributions want to hear is, "is our distribution going to go down this year?" This is a great segue into the CFNEK distribution policy. The policy states:

Unless otherwise agreed to by the Catholic Foundation and the Board of Trustees, (1) if less than fifty percent (50%) of the Fund is invested on June 30 in Christian Brothers Investment Services ("CBIS") Funds, annual distributions

for the fiscal year commencing on the immediately following July 1 shall be limited to (i) 5% of the average of the three most recent year end total of the Fund balances that are invested in CBIS Funds plus (ii) the current rate being paid on the Fund balance that is invested in the Archdiocesan Deposit and Loan Fund and (2) if fifty percent (50%) or more of the Fund is invested on June 30 in the CBIS Funds, annual distributions shall be limited to 5% of the average total Fund balances for the three most recent fiscal years.

According to the distribution policy, if the market value in any year goes down it will be averaged over the previous three years, thus cutting in thirds the overall impact on distributions to the parish, school, cemetery, or other organization. The policy is written to protect our fund holders against a downturn in the market, and to keep cash flow relatively constant to those organizations that count on the income annually.

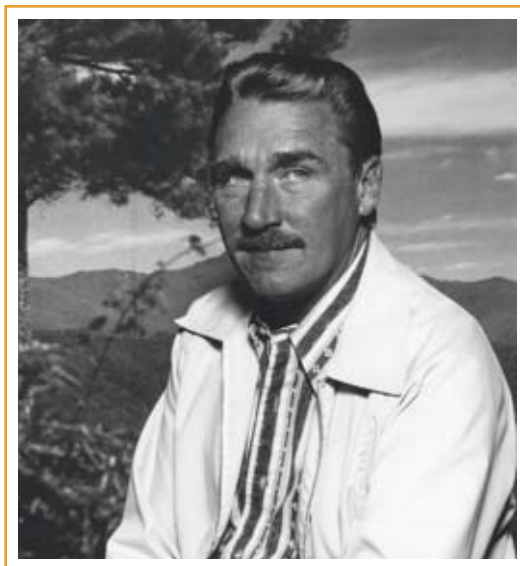
Another point to acknowledge is the importance of maintaining a diversified portfolio. Much like your own personal retirement account, which should be invested in various asset classes to lower the overall

portfolio volatility, the fund holders at the CFNEK should take a long view toward investing in the stock market. While past performance is no indication of future performance, it is important to note trends that allow us to predict how asset classes move relative to each other. By putting our proverbial eggs in various investment baskets we are able to decrease the amount of market upswings and downswings.

Four investment portfolio options are available for the equity portion of a CFNEK fund holder's account. These allocations represent holdings in different companies such as growth, value, small capitalization, and international companies. They are grouped this way to allow the fund holder to deliberately diversify their holdings to lower volatility, while opening their assets to the upside potential of growth. All four equity options are reviewed quarterly by the CFNEK Finance Committee. This watchful care is a valuable layer of responsibility that protects our fund holders.

For an individual fund allocation review please contact the Catholic Foundation at 913-325-0325.

JAMES A. DHOOGHE ESTATE LEAVES \$2 MILLION FOR THE EDUCATION OF PRIESTS AND SEMINARIANS



A \$2 million bequest from the estate of James A. Dhooghe will endow a fund to help educate priests and seminarians serving the Archdiocese of Kansas City in Kansas.

Dhooghe, who passed away April 30, 2007, was a resident of Lenexa, Kansas. Born in 1932, he had been an avid outdoorsman who enjoyed fishing and "prospecting for gold" in Colorado. He was in the freight business and was a salesman.

The Catholic Foundation of Northeast Kansas will manage the fund on behalf of the Archdiocese of Kansas City in Kansas. The \$2 million gift is the first and largest distribution from the estate, which also included bequests to a number of Catholic schools and organizations.

The Dhooghe estate gift is among the largest gifts to the Catholic Church in northeast Kansas in recent history.

According to Lesle M. Knop, executive director for the Catholic Foundation, the organization is honored to fulfill Mr. Dhooghe's final wishes, granting financial support to assist men who have discerned a calling to the vocation of the priesthood with their educational needs. Msgr. Mike Mullen, pastor of St. Patrick Catholic Church, Kansas City, and the co-director of seminarians, said, "The costs related to seminary education have risen along with other expenses in society in recent years. Mr. Dhooghe's gift will be of tremendous support in the formation of future priests."

The costs related to seminary education have risen along with other expenses in society in recent years. Mr. Dhooghe's gift will be of tremendous support in the formation of future priests.

"He was a very down to earth, humble person with a generous spirit and commitment to honor the legacy of our faith," said Msgr. Tom Tank, Vicar General of the Archdiocese and Pastor of Ascension Catholic Church, Overland Park.

Located in Kansas City, Kan., the Catholic Foundation of Northeast Kansas, a 501 (c) (3) organization, has become a key source for education, support and training that helps ensure the continuation of the mission of our parishes and organizations through effective, ethical leadership. Assets of parishes, schools, organizations and cemeteries that have been entrusted to the Catholic Foundation of Northeast Kansas total approximately \$37 million in more than 125 endowments and other funds. Last year, nearly \$900,000 was made available to fund holders to help fulfill their charitable purposes through income distributions. The Foundation ensures that life-changing stewardship succeeds in our parishes and throughout the archdiocese through best practices in planned giving programs. Others wishing to leave a gift to their parish, Catholic

school, ministry or other Catholic organization with the Archdiocese of Kansas City in Kansas may call (913) 647-0325 or email Lesle Knop at lknop@archkck.org.

FUND ESTABLISHED FOR MOTHER TERESA OF CALCUTTA

Recently a parishioner at Mother Teresa of Calcutta Parish, Topeka, opened a Donor Advised Fund (DAF) to help children of the parish attend Catholic school. The donor, who wishes to remain anonymous, said that she was trying to make up for lost time. "We weren't that generous when we were younger. You don't have much when you're buying a house and raising kids. I felt like I had enough now that I could give," she said.

Catholic education was important to her. She attended a two room school house with two nuns until she reached 8th grade. Now in her 80s she is able to be more generous. Her financial advisor suggested a charitable gift, and after working with the Catholic Foundation of Northeast Kansas the Donor Advised Fund provided the flexibility she wanted during her

life, and the immediate tax deduction that fit her needs. It was important in this instance to provide the ability for the donor to have input into how the money is used. She also appreciated that the DAF allowed her to name an advisor to take over in the event of her death. She chose her daughter.

The donor's daughter sent her children to a Catholic school 45 minutes away because she felt so strongly that the formation they would receive was worth the drive. The donor said, "I think today's age calls for a good education and religious background. It stays with them throughout their lives." Children at Mother Teresa of Calcutta school will benefit from this generous gift for years to come.



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Back row L-R Archbishop Joseph F. Naumann, Lesle Knop, Russ Jenkins, Larry Buessing, Larry Strecker, Bill Henningsen, Kent Crippin, Mark Schieber, Mark McKenzie, Msgr. Tom Tank, Ken Mellard, and Chris Arth; Front row, Steve Bahr, Steve Mohan, Mal Robinson, Mel McAnany, Kathy Callegari, Rita Lavery, and Leticia Garcia. Not pictured: Jason Neff, Jerry Mayne

investment policies