

A Brief Overview of EDOT Foundations

9.18.2013

Unified Budget

In 2014, as the Episcopal Diocese of Texas (EDOT) moves into a new era with a unified budget that not only lowers assessments significantly, it provides congregations with renewed opportunities for funding a diversity of initiatives.

Previously, funding requests would have come to the Diocese for funding from either the Assessment or Asking Budget. These have now been combined. In the process of creating a budget that reflects the unity of the diocese and that is more transparent, assessments have been reduced significantly so that more money remains at the local level. At the same time, the foundations within EDOT have taken many of the previously funded items from the Asking or Missionary Budget as is appropriate to their goals. The foundations also provide a number of options from which to request funding for future initiatives.

Resources for Planning New Initiatives

Congregations may choose to use additional dollars left at the local level from lower assessments and the elimination of the Asking to support locally directed initiatives.

In the early stages of creative thinking, congregations should consider available research for their area to develop the most effective initiatives. There are many tools available to assist local congregations in identifying their community's particular needs.

Evangelism efforts or **new community starts** should be in touch with Bob Schorr (bschorr@epicenter.org) to receive access to *MissionInsite*, which can provide demographic information for any area.

If your congregation is interested in **new health initiatives**, please begin by organizing a group with collaborative community leadership and use the research site to begin thinking about health disparities in your area. Find it at: www.slehc.org/Research/Research. Remember that the Attorney General has been clear about the areas of our focus with the Episcopal Health Foundation (EHF) and EHF will follow its agreement with the Attorney General.

Funding for **evangelism initiatives** is currently available through the Strategic Mission Grant Program (SMG) sponsored by The Episcopal Foundation of Texas and The Bishop Quin Foundation. SMG help support creative **church planting, mother-daughter starts, evangelism efforts in the community, and the diocese's**

newcomer ministry (which might include underwriting salary for a newcomer coordinator, for example). For more information about these grants, please be in touch with David Fisher (dfisher@epicenter.org), EDOT director of foundations.

EDOT Foundations

The Episcopal Foundation of Texas: H. H. Coffield left one-third of his estate to the Diocese of Texas for the support of several institutions of the diocese and for grants, loans or advances to the Bishop Quin Foundation. Since 1982, nearly \$35 million has been received from the Coffield estate. The institutions included in the Episcopal Foundation mandate are Camp Allen; St. James' House, Baytown; St. Vincent's House, Galveston; El Buen Samaritano, Austin; Bishop Quin Foundation; St. Stephen's Episcopal School, Austin; Seminary of the Southwest, Austin; and the University of the South in Sewanee, TN. The Episcopal Foundation has given away more than \$50M in grants and still has a corpus of more than \$50M. The Foundation annually grants a tithe gift outside of the Diocese. Bruce Harper serves as chair of the Episcopal Foundation.

The Bishop Quin Foundation was established in 1943 to honor Bishop Clinton S. Quin. Its largest gift was a generous bequeath from Annie B. Laird. The Foundation is currently valued at more than \$34 million and its work focuses on new development grants for parishes, redeveloping and restarting churches. The Foundation's mission is to help build the Church. In addition to making loans, the Bishop Quin Foundation also supports sabbatical grants for the welfare of the clergy, curate placement grants, and Strategic Mission Grants to parishes in collaboration with the Episcopal Foundation of Texas. The Rev. Bill Fowler serves as president of the Quin Foundation.

The Protestant Episcopal Church Council of the Episcopal Diocese of Texas, commonly known as the **Church Corporation**, holds title to the properties of the diocese. With a corpus of \$28M, Church Corp oversees property and the expansion of the Diocese. It is in charge of reviewing proposals from parishes and other diocesan entities who want to engage in building projects. Church Corp is authorized to receive and administer funds and properties given to the Episcopal Diocese of Texas and, through the Participating Funds, the Church Corporation also acts as a trustee in receiving and administering funds for the use and benefit of the churches in the diocese. With cash and property assets totaling over \$300 million dollars, the Church Corporation continues to provide for the sound financial management of the diocese's real estate and the individual investment funds of the churches. JoLynn Free is chair of Church Corp.

The Episcopal Health Foundation was founded this year (2013) with the proceeds from the transfer of St. Luke's Episcopal Health System to Catholic Health Initiatives. The corpus of the foundation will be more than \$1Billion, which will fund more than \$30-35Million in health initiatives annually. The goal of the

Foundation will be to help the Church serve its communities in the 57-county diocese through health ministries, frequently in collaboration with other groups. In addition, the Foundation will provide funding for research to help guide the grants that are made.

Expanded access to the Episcopal Health Foundation grant processes for health initiatives will likely begin in either late 2014 or early 2015. The new Foundation is not intended to establish another acute care system and instead will fund initiatives and programs more focused on primary care, especially where such care is not available today. Some existing organizations that do health ministry in the diocese are currently funded by the Episcopal Health Charities and will be eligible for future funding of the new Foundation.

Episcopal Health Charities (formerly known as the St. Luke's Episcopal health Charities) has been folded into the new Foundation and is continuing to fund \$4million+ in grants to diocesan institutions and community health initiatives.

The Diocese has established a 12-member Board of Directors, chaired by Linnet Deily, which has been meeting regularly for the last half of 2013. In its early days the Board has been focusing on hiring an executive director, preparing for the long-term financial management of the Foundation's assets, and establishing the appropriate infrastructure for the new organization.

The Great Commission Foundation, founded with a tithe from the sale of St. Luke's Episcopal Health System, in May, 2013, is organizing and will begin funding new church starts in 2014. The goal is 15 new starts by 2019. The GCF will eventually have a corpus of more than \$110M and will focus on ongoing and future church planting, purchase of real estate and all new church initiatives. There will be a wide variety of models and funding healthy starts is essential to the health and vitality of the Diocese. Maria Boyce serves as chair.

Within the Episcopal Health Foundation and the Great Commission Fund there is service and evangelism. At times, all of the foundations work in cooperation to maximize their support of ministries of the Diocese in order to amplify their impact.

FAQ:

Q: Why did we change the budget?

A: A unified budget has been the goal for more than eight years. It is more transparent and understandable.

Q: What are the changes?

A: Previously the Diocese operated with three budgets: Diocesan, Missionary and

Insurance. The Missionary Budget has been dissolved. Some items that were previously in the budget are now being covered by the appropriate foundation budgets. For example, a majority of the health insurance costs will now be covered from the new Episcopal Health Foundation. New church plants will now be funded from the Great Commission Fund, established with a tithe from the proceeds of the Health System sale in May.

Q: What difference does this make for the churches?

A: There will no longer be an Asking in addition to the Assessment. And the Assessment percentages have dropped significantly to allow more money to remain at the local level. The formula for assessments remains unchanged while the top bracket has been lowered from 17.75% to 10%.

Q: How much more money will remain at the local level?

A: About \$3.8M

Q: How do we apply for a grant from the new Episcopal Health Foundation?

A: The Foundation is very much in the formation stages. It will not begin taking grants until at least the fall of 2014 and the grant-making process will be fully communicated to the churches and members of the diocese as soon as is practicable. The board is only now doing a national search for an executive director.

Q: What about Episcopal Health Charities?

A: The Charities will continue their normal grant-making procedures during this nascent stage of Episcopal Health Foundation. Then it will be folded into the larger organization. Ministries currently funded by Health Charities will continue in the grant process as before until the new Foundation is up and running.

Q: With the new Episcopal Health Foundation, will every church have a clinic?

A: No. While that may be an assessed need in some communities, and some churches will eventually receive grants to have a clinic, the establishment of the Foundation is not meant to rebuild a health system. Many healthcare needs exist in the Diocese and there are countless ways to deliver health care where it is needed. Each proposed initiative will be reviewed by the grant making members of the new foundation, beginning in the fall of 2014.

Q: Will EHF make grants for things other than health initiatives?

A. No. By our agreement, all initiatives funded from the EHF must be focused on health as mandated by the Attorney General. These may have wide-ranging and diverse expressions, such as screening for breast cancer, mental health, dental or seniors health offerings, wellness classes, diabetes awareness, community gardens for improved health in food deserts, etc.

Q: How much will EHF fund annually?

A: Approximately \$30-35 million, compared to \$4 million annually currently granted by Episcopal Health Charities.