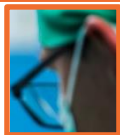
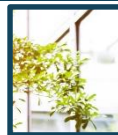


2nd Quarter News

**Expertise—
It's Beyond Important**
What's Happening Now



**Not All Gifts are
Good Gifts**
Be prepared for anything



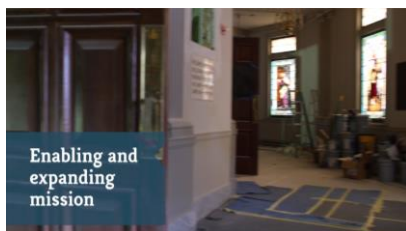
**Create a Gift That Lasts
for Generations**
Check Out Our New Video



**Embracing Stewardship
Across Generations**
TPF's Upcoming Event



**We can help you create a gift that lasts
for generations.**
Our new video explains how!



Check it out now at www.tpf.org.

TPF FUND PERFORMANCE AS OF 06-30-2017

TPF Fund Benchmark	2nd Q	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
TPF Balanced Fund Lipper MATA Moderate Index*	3.5% 2.3%	8.9% 6.6%	13.7% 10.8%	4.7% 4.3%	8.5% 7.8%	5.9% 4.6%
TPF Large Cap Equity Fund Lipper Large Cap Core Fund Index	4.2% 3.0%	12.0% 8.9%	20.9% 19.8%	8.3% 8.6%	14.3% 13.9%	8.0% 6.5%
TPF Growth Equity Fund Lipper Large Cap Growth Fund Index	5.9% 6.3%	17.4% 17.2%	21.1% 22.7%	8.0% 9.6%	13.4% 14.5%	9.2% 7.6%
TPF Value Equity Fund Lipper Large Cap Value Fund Index	2.5% 2.1%	7.2% 5.7%	21.5% 18.0%	8.4% 7.1%	15.3% 13.6%	7.2% 5.4%
TPF International Equity Fund Lipper International Fund Index	7.3% 6.6%	16.0% 15.3%	19.2% 20.3%	1.8% 2.1%	9.8% 8.9%	4.0% 1.8%
TPF Emerging Markets Fund Lipper Emerging Market Fund Index	6.1% 5.5%	18.7% 18.7%	17.4% 22.4%	1.0% 1.3%	3.0% 4.5%	1.1% 1.7%
TPF Small Cap Equity Fund Lipper Small Cap Fund Index	4.9% 2.1%	10.7% 5.5%	25.9% 20.6%	10.2% 6.4%	15.1% 13.0%	9.6% 6.9%
TPF Fixed Income Fund Lipper Core Bond Funds Index	1.6% 1.5%	3.0% 2.6%	2.7% 0.6%	2.3% 2.6%	2.4% 2.8%	4.7% 4.7%
TPF Money Market Fund Lipper INSTI MMF Avg	0.16% 0.19%	0.26% 0.36%	0.41% 0.54%	0.26% 0.22%	0.22% 0.14%	0.67% 0.52%
TPF Real Estate Investment Fund NCREIF NFRI-ODCE (Net)	2.3% 1.5%	7.1% 1.5%	2.0% 7.4%	5.3% 10.8%	5.7% 10.9%	N/A 4.6%
TPF Real Assets Fund Blended Real Assets Index**	0.3% 0.5%	4.0% 3.1%	6.6% 5.2%	-5.1% -8.0%	-0.7% 0.1%	N/A N/A
TPF Defensive Strategies Fund Lipper Long Short Equity Index	0.0% 1.0%	1.3% 2.9%	3.9% 6.8%	2.4% 1.3%	3.2% 4.1%	N/A 0.5%

Past performance is not necessarily indicative of future investment results.
The report shows total returns for periods less than one year and compounded annual rates of return for longer periods.
The returns are net of all operating expenses, totaling approximately 0.60% annually, including fees of outside investment managers.

*Lipper MATA Moderate Index is the most appropriate Mixed Asset Target Allocation of the Lipper MATA indices.

**The Blended Real Assets Index is comprised of 40% MSCI AC World Index (Net), 40% Blmbg. Barc. U.S. TIPS, 20% Bloomberg Commodity Index Total Return.

Please access www.tpf.org for additional information.



Expertise—It's Beyond Important

What's Happening Now

By John Furlow, TPF's Executive VP & COO

Recently I've noticed that there seems to be a weekly article in national publications regarding passive investing. I personally believe that indexing is a great tool for individual investing and retirement plans. On the other hand, church and institutional investing is a completely different undertaking. Passive investors benefit when the market is headed higher. However, as the bull market in equities moves through its eighth year following the Global Financial Crisis, more and more investors are losing sight of and appreciation for their downside exposure. In the event the market heads lower, the same passive investor locks in all the market losses. Very few investors are aware that index funds expose them to 100% of the volatility and losses during a market downturn.

TPF believes that active management has an important part to play in institutional investing. In an efficient market, investors should be looking for expertise and niche managers. Using a medical analogy—if you needed knee surgery, would you go to your general internist?

TPF does utilize passive investing for efficiency purposes. However we also employ 24 best in class active institutional managers, each with a specific mandate and specialty. Like an expert orthopedic surgeon operates on a knee, they make critical decisions that are essential to the funds entrusted to TPF.

The Balanced Fund provided a quarter to date return of 3.5% and an outstanding year to date of 8.9% outperforming the indices by 1.8% so far this year.

The second quarter of 2017 continued the strong active performance of the first quarter. All of the equity portfolios contributed to the TPF Balanced Pooled Fund—just like the specific skill of the surgeon contributes to the health of his or her patient. The Balanced Fund provided a quarter to date 3.5% and an outstanding year to date of 8.9% outperforming the indices by 1.8% so far this year. In the same way a newly constructed knee provides long-term support to a patient, our long-term focus combined with the dedicated work of our managers has allowed us to consistently add value verses the indices for the past 20 years.



Not All Gifts are Good Gifts

Be Prepared for Anything

By Rick Young, TPF's President & CEO

It's true. Not all gifts are good gifts. Why would your church or organization ever want to turn down a gift? The answer might surprise you. The gift, depending on exactly what it is, might bring unintended consequences which could encumber or hinder your ministry and mission.

What can you do to prepare for this situation? It is paramount that your church or organization establish and adopt a gift acceptance policy to allow for the refusal of an inappropriate gift. This will inspire confidence in your congregation or constituents because the decision doesn't belong to one person. It belongs to the session or Board of Trustees/Directors.

It is critical that the gift acceptance policy be in place before any gift is anticipated or offered.

In addition to a gift acceptance policy, a session or Board might choose to develop a legacy fund policy. This type of policy can ensure that a contribution will be treated with mindful respect, applied to the established purpose, and managed to provide for the future ministry and mission of the organization.

There are a variety of options available for gift acceptance and legacy fund policies, and you can find examples on the TPF website, www.tpf.org. Please contact us with any questions or requests for additional information. We look forward to partnering with you as you establish these policies.

Have You Visited Our New Blog?

The Bottom Line

We hope you'll take a few moments to visit www.tpf.org/blog-page/. We live in a constantly changing world, and we created our new blog to help you stay on top of what's happening in the world of our TPF partners, finance, and technology.



We Hope You'll Join Us for Our Upcoming Event...

Embracing Stewardship



Featuring:
Grace Pomroy

An interactive, inspirational event designed to change the way you talk about generosity.

Date: October 5, 2017

Time: 10:00 - 3:00

Location: First Presbyterian Church Fort Worth



The Closing Bell is published quarterly by Texas Presbyterian Foundation

6100 Colwell Blvd., Suite 250,
Irving TX, 75039

800.955.3155 • www.tpf.org