



1st Quarter News

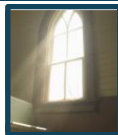
Making the Most of the Madness

The Close of Q1 and the NCAA Tournament



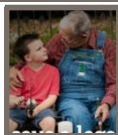
Focus on Growth: Our Church Partners

TPF and our valued church partners are working together to change lives.



Now Available: Legacy Sunday Bulletin Inserts

Order yours today!



Great Things

TPF's Annual Financial Forum is scheduled for July 15, 2015.



TPF exists to enable and expand mission.

What's important to us?

Enduring Partnerships

Philanthropy

supporting mission

Grace

Customer Service

Education

serving others

FINANCIAL MANAGEMENT

future generations

Stewardship

LEGACY

Christian Generosity

gift planning

FUND MANAGEMENT

BALANCED FUND

TPF FUND PERFORMANCE AS OF 03-31-15

TPF Fund	1st Q	1 Yr	3 Yrs	5 Yrs	10 Yrs
TPF Balanced Fund	2.2%	6.4%	9.7%	9.6%	7.5%
Lipper Moderate Index*	1.8%	6.1%	8.9%	8.4%	5.8%
TPF Large Cap Equity Fund	0.9%	10.4%	16.5%	15.4%	8.9%
Lipper Large Cap Core Fund Index	0.8%	10.1%	15.1%	12.9%	7.3%
TPF Growth Equity Fund	1.0%	9.6%	14.8%	16.4%	9.1%
Lipper Large Cap Growth Fund Index	3.4%	14.3%	15.2%	13.9%	8.2%
TPF Value Equity Fund	0.9%	11.0%	18.4%	15.0%	9.2%
Lipper Large Cap Value Fund Index	-0.1%	8.4%	15.3%	12.4%	6.8%
TPF International Equity Fund	5.5%	3.3%	12.3%	9.8%	7.9%
Lipper International Fund Index	5.1%	0.2%	9.1%	6.5%	5.9%
TPF Emerging Mkts Equity Fund	3.1%	-1.0%	0.1%	1.7%	N/A
Lipper Emerging Market Fund Index	1.1%	-1.2%	0.6%	2.1%	7.8%
TPF Small Cap Equity Fund	2.6%	9.6%	15.3%	16.7%	10.6%
Lipper Small Cap Fund Index	3.7%	6.4%	14.9%	13.8%	8.9%
TPF Fixed Income Fund	1.8%	5.6%	3.1%	4.3%	5.0%
Lipper Core Bond Fund Index	1.8%	5.6%	4.0%	5.1%	5.0%
TPF Money Market Fund	.03%	.14%	.15%	.15%	1.56%
Lipper Inst. Money Market Fund Avg	0.0%	0.0%	.02%	.03%	1.29%
TPF Real Estate Fund	3.3%	11.8%	9.9%	7.8%	N/A
NCREIF NFRI-ODCE (Net)	3.0%	11.5%	11.4%	12.9%	6.1%
TPF Real Assets Fund	1.8%	-7.4%	-6.0%	N/A	N/A
Blended Real Assets Index ++	-4.0%	-11.9%	0.0%	N/A	N/A
TPF Defensive Strategies Fund	1.9%	6.6%	13.1%	N/A	N/A
Lipper Long Short Equity Index	0.9%	2.3%	4.9%	4.6%	2.8%
TPF Alt. Strategies Fund**	1.3%	2.4%	4.1%	3.4%	N/A
HRI Fund of Funds Composite **	2.5%	5.4%	5.4%	3.5%	3.2%

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 0.57% annually, including fees of outside investment managers.

Lipper modified its indices in 1Q15 which resulted in changes in our reports. The TPF Board of Trustees will review all benchmarks at the May 2015 board meeting.

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

**Valuations of TPF Alternative Strategies Fund and its benchmark lag one month.

++The Blended Real Assets Index is comprised of 1/3 Dow Jones UBS Commodity Index, 1/3 S&P Natural Resource, and 1/3 UBS 50/50 Infrastructure and Utilities.

Please access www.tpf.org for additional information.



Making the Most of the Madness The Close of Q1 and the NCAA Tournament

Every March the NCAA invites what are arguably the top 68 teams to compete for the national championship. This year's tournament was filled with drama from all brackets. I'm not sure which is the bigger story, Kentucky's perfect season ending in the semi-finals or the first weekend upsets of a #1, two #2 and two #3 seeds.

The investment markets in the first quarter of 2015 showed plenty of drama, despite having the S&P 500 and the Dow Industrials hitting record highs. Small Cap and International equities posted the best shooting percentages for the quarter.

There were a few minor upsets along the way, but by the time we got to the first quarter buzzer, like in the tournament's final four, there were no startling surprises.

The TPF Balanced Fund posted a modest 2.2% return for the first quarter. The volatility in the markets showed the necessity for the defensive positions. TPF continues to see strong performance from our equity funds, and this first quarter brings the transition to the new allocation in the Fixed Income Fund.

Now Available: Legacy Sunday Bulletin Inserts

Legacy Sunday is May 3, 2015, and we want to make sure you are prepared by providing free bulletin inserts. Let us help encourage your congregation to create their own message of faith and hope by leaving a legacy of grace.

Go to <https://www.tpf.org/resources/order-form/> or email stefanie.marsden@tpf.org to order yours today!



Focus on Growth: Our Church Partners

A retired public school teacher who spent decades teaching a two-and three -year -old Sunday School class for her small congregation died recently. She and her husband were not able to have children, but deeply loved working with the children of their church. In her will, she left the church a legacy that was to be used for scholarships given to children of the church who wished to attend college.

Each year the number of churches and the amount of investment dollars from congregations comprise the largest area of growth for Texas Presbyterian Foundation. **In 2014, TPF returned over \$46 MM to our church partners for their use in mission.** The long-term returns (10 years) of the Balanced Fund of just over 7% have enabled congregations of all shapes and sizes to continue and expand mission. Additionally, TPF only requires a minimum investment amount of \$100 to open an investment account, and churches of all sizes have been able to partner with us to raise money for continuing operations and mission through investing opportunities. **At the end of 2014, there were over 70 congregations with more than one million dollars invested with TPF.** TPF remains dedicated to our fiduciary responsibilities, as we invest only with quality investment firms and run eight governance screens on our pool of investments. The Investment Committee of the Board of Trustees along with the help of staff and our consultant, Segal Rogerscasey, reviews and monitors the funds for performance and style.

Our experience with our partner congregations located throughout 26 states has shown that once a congregation establishes a permanent fund and invests that fund in one of our investment pools, the congregation continues to grow that fund, thus enabling more mission, programming, and the care of their capital needs.

If you would like more information about the ways in which TPF might assist your church, please reach out to our Ministry Services team at 800.955.3155 or send an email to Stefanie Marsden at stefanie.marsden@tpf.org.

Q1 Manager Changes

On February 18, 2015, the TPF Investment Committee met and approved the following changes:

- TPF Fixed Income Pooled Fund: This fund has been reallocated among existing managers: 40% to Barrow Hanley (separately managed bond and treasury portfolio); 20% Blackrock (unconstrained fixed income); and to two new managers, 20% to Loomis Sayles (core plus strategy); and 20% to Western Asset (core plus strategy). As part of this transition, we liquidated our Stone Harbor EMD and TIPs investments.
- TPF Defensive Strategies Fund: This fund has been reallocated among existing managers: 30% Long/Short Equity (Diamond Hill Long/Short Fund); 20% Covered Call/Hedged Equity (The Gateway Fund); 30% Merger Arbitrage (The Merger Fund); and 20% Managed Futures (AQR Managed Futures Fund).

GREAT THINGS

TPF's Annual
Financial Forum

Wednesday, July 15th
9:30 am to 4:30 pm
Texas Presbyterian
Foundation
6100 Colwell Blvd.
Irving, TX 75039

We invite you to join us for an exciting, educational event that will cover such topics as upcoming legal and legislative changes that affect non-profits, audit preparation, security, and managing Board relationships. For additional information please contact Beth Wilt at beth.wilt@tpf.org or 800.955.3155.



The Closing Bell is published quarterly by Texas Presbyterian Foundation

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