

# Stewardship Report

January to December 2007



CHRISTIAN FOUNDATION  
FOR CHILDREN AND AGING

## President's message

Dear friends,

Thanks to your unwavering commitment, we achieved a major milestone in 2007. For the first time in CFCA's history, we exceeded the level of \$100 million in annual contributions and revenue.

What's remarkable about this milestone is that it came about in uncertain economic times. This truly is a genuine expression of love and compassion from our sponsors, who trust CFCA to put these resources at the service of their sponsored friends.

Certainly, reaching this level is an important point in CFCA's history as an organization. But far more significant is what the additional resources allow us to do overseas in our projects.

As you've been hearing from the news media, food prices around the globe have risen dramatically. In our projects in 25 countries, we see the effects. A mother in El Salvador no longer can afford to buy milk for her four children. If it weren't for CFCA, they would go without. In Kenya, the Philippines and elsewhere, families must tighten their belts. Some are cutting back on meals. Some are eating only once a day.

Now more than ever, your contributions are helping more than 309,000 people and their families meet their day-to-day needs and work toward one day ending the cycle of poverty.

This edition of our Stewardship Report shows you in detail how your dollars are working.

I'm pleased to continue to report that your contributions are being spent wisely. A total of 88.7 percent of our overall expenses went directly to projects in the field, with 6 percent spent on U.S.-based program support services for projects and sponsors. Only 3 percent went to administrative costs, and 2.3 percent was used to invite new sponsors.

I want to personally thank you for continuing to accompany us on this journey toward a transformed world where justice and equality will prevail.

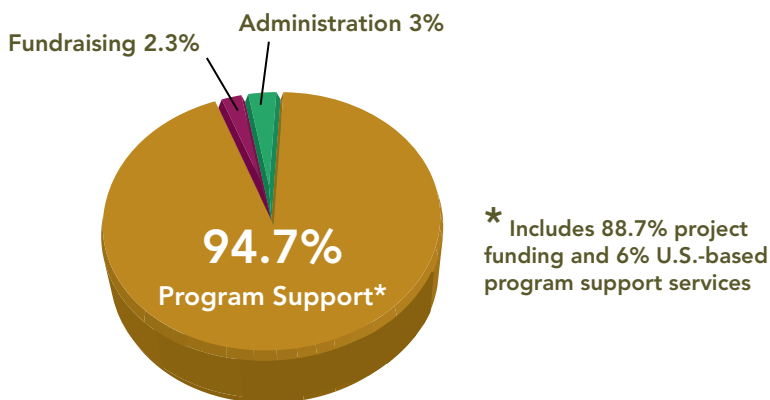


With gratitude,

*Bob Hentzen*

Bob Hentzen, President

## Financial overview for 2007



Source: 2007 Financial Statements

CFCA assigns the highest reasonable amount of available resources to the direct benefit of sponsored members. In 2007, CFCA's total contributions and revenues exceeded \$100 million—a record level—with nearly \$89 million disbursed in direct assistance to our projects for the benefit of children, youth and the aging we serve.

Total program support represented 94.7 percent of expenses, and included both project funding of 88.7 percent and 6 percent for U.S.-based program support services to the projects and our sponsors. Fundraising costs to invite new sponsors and donors totaled 2.3 percent of expenses, with the remaining 3 percent used to fund general and administrative costs.

# Statement of Activities

For the Year Ended December 31, 2007

## PUBLIC SUPPORT & REVENUE

Sponsorships	\$90,228,772
General Public	<u>9,737,814</u>
Total Public Support	\$99,966,586
Other Revenue	<u>1,762,905</u>
Total Public Support and Revenue	\$101,729,491

## EXPENSES

Program		
Funding to Projects	\$88,925,533	(88.7%)
Program Support Services	<u>6,008,003</u>	<u>(6.0%)</u>
Total Program Expenses	\$94,933,536	(94.7%)
Fundraising	\$2,284,810	(2.3%)
Administration	<u>3,045,506</u>	<u>(3.0%)</u>
Total Supporting Services	\$5,330,316	(5.3%)
Total Expenses	<u>\$100,263,852</u>	<u>(100%)</u>

**NET ASSET INCREASE \$1,465,639\***

### \* Change in Net Assets from Operations

Advance payments from donors received in 2007 for distribution in 2008	\$545,210
Net additions to Board-Designated reserves and property and equipment	<u>920,429</u>
Total Net Asset Increase	<b>\$1,465,639</b>



# Statement of Financial Position

As of December 31, 2007

## ASSETS

Cash and Cash Equivalents	\$15,235,790
Investments	15,322,995
Receivables	168,353
Other Assets	177,720
Property and Equipment, Net	<u>5,694,596</u>

**TOTAL ASSETS** **\$36,599,454**

## LIABILITIES & NET ASSETS

Accounts Payable and Accrued Expenses	<u>\$1,195,224</u>
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**TOTAL LIABILITIES** **\$1,195,224**

## NET ASSETS

Unrestricted — Board-Designated

Operating Reserve	\$2,100,288
Headquarters Building Additions	375,786
Future Capital Equipment	200,000
CASA and Software Upgrades	628,342
Program and Scholarship	3,739,300

Investments in Property and Equipment, Net 5,694,596

Total Unrestricted Net Assets \$12,738,312

Temporarily Restricted Net Assets 22,665,918

Total Net Assets \$35,404,230

**TOTAL LIABILITIES & NET ASSETS** **\$36,599,454**

Note: Each year the independent accounting firm of Deloitte & Touche LLP conducts an audit of CFCA financial statements and accounting practices in accordance with auditing standards generally accepted in the United States of America. A copy of this audit report is available on request or online at [www.cfcausa.org](http://www.cfcausa.org).

CFCA is a 501(c) (3) non-profit corporation, federal EIN: 43-1243999.  
Contributions are tax-deductible as allowed by law unless otherwise noted.



# The benefits of sponsorship

**C**FCA's unique style of sponsorship is effective because project coordinators and staff members listen to sponsored members and their families, tailoring benefits and services to specific needs and giving families the tools to make a better life for their children.

CFCA sponsorship provides food, education, clothing and access to medical care, but then goes further. In the Philippines, for example, CFCA's Antipolo project serves sponsored children of the indigenous Dumagat community and works together with community members on special needs. The project helped introduce irrigation techniques that resulted in two rice crops a year instead of one. CFCA classes have taught adults basic literacy so they can sign their names to documents. And, the project is assisting the community in its efforts to gain title to ancestral lands.

At CFCA, we believe in the potential of the poor to effect change in their own lives and in our world. Together, we can end the cycle of poverty.

## Nutrition

CFCA projects facilitate good nutrition through regular allotments of food staples, food vouchers, school breakfast and lunch programs, supplemental feeding programs for malnourished children and nutrition counseling.

## Education

Education empowers sponsored members to develop their talents, reach their potential and contribute to their communities. Sponsorship supports the education of students by helping with tuition and other school fees, books, school supplies, uniforms and transportation costs. The CFCA Scholarship Program provides financial assistance to deserving students in secondary school, college or vocational training.

## Family development

CFCA projects work with individuals in the context of their family situations, helping families become more self-sufficient and able to contribute to the community. Benefits for the family may include housing repairs, beds, services of social workers and help with other needs. Many projects help parents learn livelihood skills that allow them to generate additional income for their families. A growing number of projects have created mothers groups that support families in various ways, including providing low-interest loans for small business start-ups.

## Health care

Annual checkups, medicines and emergency care help children, youth and the aging live healthier lives. Through access to doctors, medicines and preventive care, sponsored persons experience a better quality of life.

## Clothing

Basic clothing and shoes provided through sponsorship enhance the comfort and self-esteem of children, youth and the aging. Projects may provide dress clothes, play clothes, jackets, raincoats, umbrellas and other basic items.

## Encouragement and support

Through letters, photographs and prayer, sponsors and sponsored friends develop solidarity with each other. Some sponsors travel abroad to visit CFCA projects and meet their sponsored friends. These relationships help create a sense of being loved and belonging to a caring community.



# ‘Walking with the poor’

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## CFCA’s presence felt around the world

In our view, financial resources under CFCA stewardship are owned by sponsored members to be utilized for their benefit and support. CFCA strives to ensure that sponsorship dollars sent to the projects are sufficient to enable sponsored friends and their families to improve their lives and their communities.

Our mission involves a long-term commitment. Consequently, CFCA invests in staff, structures and activities to promote long-term relationships. All other programs, such as scholarships and grants, are designed to complement the sponsorship program.

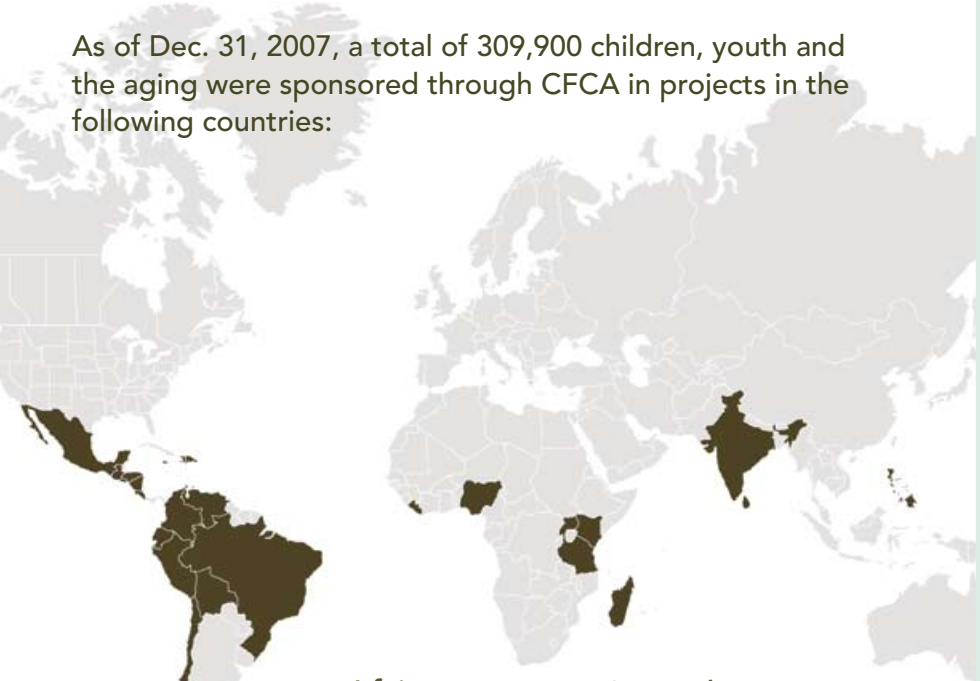
To ensure prudent stewardship, CFCA projects around the world are monitored carefully to maintain high standards of transparency, accountability and consistency with CFCA policy. We also make regular project visits for detailed review and monitoring of project financial reports. It’s all part of our ongoing efforts to responsibly manage the resources entrusted to us.



Visit us or sponsor online at [www.cfcausa.org](http://www.cfcausa.org)

# in **25** countries

As of Dec. 31, 2007, a total of 309,900 children, youth and the aging were sponsored through CFCA in projects in the following countries:



## **Africa**

Kenya  
Liberia  
Madagascar  
Nigeria  
Tanzania  
Uganda

## **Asia**

India  
Philippines  
Sri Lanka

## **Caribbean**

Dominican  
Republic  
Haiti  
Jamaica

## **Central America and Mexico**

Costa Rica  
El Salvador  
Guatemala  
Honduras  
Mexico  
Nicaragua

## **South America**

Bolivia  
Brazil  
Chile  
Colombia  
Ecuador  
Peru  
Venezuela

## Watchdog organizations say your dollars are used wisely

Independent charity watchdog organizations consistently give CFCA their highest rankings.

Charity Navigator, the nation's largest evaluator of charities, gives CFCA a 4-star rating based on program expenses, administrative expenses, fund-raising expenses and operating efficiency. The rating means, according to the organization's Web site, that CFCA "exceeds industry standards and outperforms most charities in its cause." It's the seventh consecutive year CFCA has received a four-star rating.

"Less than 1 percent of the charities we've rated have received at least seven consecutive 4-star evaluations, indicating that Christian Foundation for Children and Aging outperforms most charities in America in its efforts to operate in the most fiscally responsible way possible," Michael Smith, Charity Navigator's interim president/ chief operating officer, wrote in a letter to CFCA. "This 'exceptional' designation from Charity Navigator differentiates Christian Foundation for Children and Aging from its peers and demonstrates to the public it is worthy of their trust."

Another charity evaluation organization, the American Institute of Philanthropy, also gave CFCA its top rating. CFCA was the only child sponsorship organization to receive an A+ rating from AIP.

CFCA also meets the 20 rigorous standards of the Better Business Bureau's Wise Giving Alliance. According to the alliance's Web site, "Organizations that comply with these accountability standards have provided documentation that they meet basic standards: in how they govern their organization, in the ways they spend their money, in the truthfulness of their representations, and in their willingness to disclose basic information to the public."



Highest rating of four stars  
Charity Navigator  
[www.charitynavigator.org](http://www.charitynavigator.org)



A+ rating

American Institute of Philanthropy  
[www.charitywatch.org](http://www.charitywatch.org)

# Board of Directors

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Child Advocate Attorney  
Scott Wasserman & Associates  
Lenexa, Kan.

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Senior Vice President  
Bank of Blue Valley  
Overland Park, Kan.

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Office of Financial Services  
Redemptorists of the Denver Province  
Denver, Colo.

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President, St. James Academy  
Lenexa, Kan.

## **Louis Guillou**

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Saint Mary's University of Minnesota  
Winona, Minn.

## **Rev. Vince Haselhorst**

CFCA Presenter  
Catholic Diocese of Belleville  
Belleville, Ill.

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Retired Public Defender  
Long Beach, Calif.

## **Eileen Witaconis**

Director, Account Services  
Eventive Marketing LLC  
New York, N.Y.

## **Carolyn Zimmerman**

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Marian Clinic  
Topeka, Kan.

## **Bernard A. Hentzen**

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Co-founder of CFCA  
Wichita, Kan.

## **Catherine N. Pearce**

Director Emerita  
Co-founder of CFCA  
Leawood, Kan.

## **Robert K. Hentzen**

President and Co-founder of CFCA  
Ex-officio member  
San Lucas Toliman, Guatemala

## **Francis "Paco" Wertin**

CEO for CFCA  
Ex-officio member  
Kansas City, Kan.



# Mission Statement

CFCA's mission is to walk with the poor and marginalized of the world.

**We provide** personal attention and direct benefits to children, youth, aging and their families so they may live with dignity, achieve their desired potential and participate fully in society.

**We invite** people of good will to live in daily solidarity with the world's poor through one-to-one sponsorship.

**We build** community by fostering relationships of mutual respect, understanding and support that are culturally diverse, empowering and without religious or other prejudice.

Grounded in the Gospel call to serve the poor, CFCA is a lay Catholic organization working with persons of all faith traditions to create a worldwide community of compassion and service.

