

SHEPHERDS FOUNDATION

# The Turning Point

*A 50th Anniversary Campaign*

## Phase II Case Statement

## Campaign Phase I Update

### Phase I Campaign Report

In November 2012, the official report was presented at the Shepherds Foundation Board of Directors meeting. The Turning Point 50<sup>th</sup> Anniversary Campaign had successfully completed Phase I with contributions and gift commitments exceeding our \$15 million goal for a total of \$15,303,508.00!

The Turning Point Campaign has already been the largest and most successful campaign effort in the history of Shepherds Ministries. As a result of this 50<sup>th</sup> Anniversary Campaign, numerous advancements and improvements have been financed throughout our 92+ acre campus in Union Grove, Wisconsin to benefit the residents, clients, and students we serve. Most notable was funding for the development, launch, and now rapid growth of Shepherds College – a first of its kind, post-secondary educational program for young people with intellectual disabilities.

Actually, when the campaign was being developed prior to our 50<sup>th</sup> anniversary in 2008, the Phase I goal had been set at \$10 million to be raised within the first three to five years with priority on meeting expected capital and renovation needs. What a blessing to find that we had exceeded \$10 million in gifts and gift commitments within six months as part of the Advanced Gifts Phase of the campaign before the project was even publicly announced! We therefore revised our campaign plan for a \$15 million Phase I goal to include capital project gifts and contributions through bequests and planned gift arrangements. This would also help support needed ministry changes and begin the process of building financial stability for the future.

### Phase I Campaign Summary

**\$10.3 million** – Received and used to finance capital needs, renovations, and the establishment of Shepherds College.

## Turning Point Capital Campaign, Phase II Case Statement

### Page 2

**\$3.5 million** – Received via bequests, trusts, and planned gift maturities. Also used to finance capital needs for Shepherds Ministries, Shepherds College, and support ongoing ministry services to our residents, clients, and students.

**\$1.5 million** – Remaining campaign commitments due mostly from new planned gift investments to be used for building financial stability in the future. Beginning in 2013, our 55<sup>th</sup> anniversary year, we have officially launched Phase II of the Turning Point Campaign, an additional \$10 million which will meet our overall 50<sup>th</sup> anniversary goal of \$25 million. While Phase I focused on capital expansion and renovation, Phase II will focus on advancing the need to build financial stability in the future through bequests, planned gift arrangements, scholarship programs, and endowment funds. However, we will also set aside a portion of these funds for additional construction and renovation needs that have been identified. It is our goal and prayer to raise the additional \$10 million during Phase II of the Turning Point Campaign over the next five years to be completed on or before our 60<sup>th</sup> anniversary celebration in 2018.

### A Ministry in Transition

In the five years following our 50<sup>th</sup> anniversary celebration, we have also experienced many changes in our ministry services and programs. The most significant revision that has taken place is a change in focus from the original institutional model of care to one that emphasizes a community or independent living model with support systems in place as needed. This transition is supported by our unique philosophy of Appropriate Independence™ with a ministry focus to “train for life and empower to serve.” Identifying and maximizing the gifts and ABILITIES of our residents, clients and students allows us *“to support individuals with intellectual disabilities to reach their full, God-given potential.”*

The vision going forward is motivated by a burden to reach many more individuals with intellectual disabilities and their families. It is estimated that this unreached people group represents nearly 2-3% of the world’s population, or nearly 300 million individuals. While our priority is focused on serving those in various programs through our Union Grove, Wisconsin campus, training programs and support services that can be offered through the Internet (“cloud technology”) are already being developed as a way to assist many more individuals with intellectual disabilities, their parents and/or guardians, as well as churches that are led to develop ministries and outreach programs to people with disabilities.

As we have experienced these changes and transitions in our ministry services and programs, **there has been no change in our unique ministry mission. We remain focused on reaching individuals with intellectual disabilities and their families with the Gospel of Jesus Christ.** This has been true here at Shepherds throughout our 55+ year history.

## **Turning Point Capital Campaign, Phase II Case Statement**

### **Page 3**

In the beginning, people recognized that the institutional model was the national model, and we became one of the finest boarding schools/institutions throughout the United States and some foreign countries, assisting people with their children. We then realized that a transition had taken place, and the paradigm was shifting. We went from a ministry for children to a ministry for adults, always maintaining our educational roots and a desire to reach this population with the Gospel.

Now, God has entrusted this ministry to another group of ministry leaders and dedicated servants who understand the times and recognize that our national model is focused on community and a least restrictive environment. In order to minister well to the people of this time, Shepherds must provide services that meet this current need. That is why we have cottages, group homes, and contracts for support services through our Catalyst Program. That is also why we have experienced explosive growth in our Shepherds College Program as well as our new Camp Discovery Program – an opportunity to reach back to junior and senior high students with uniquely tuned training to help each individual become more independent and improve skills that can help them prepare for the future.

As the Lord provides through Phase II of the Turning Point Campaign, we will also be launching an Internet presence to be called **Shepherds Resources**. This web based tool will help answer questions from families that include an intellectually disabled individual, train those at churches ministering to this population, and **move us from being only a ministry of addition in Union Grove, Wisconsin to one of multiplication throughout the world**. In doing so, we will be able to better impact this highly underserved and unreached population.

### **Phase II Campaign Priorities**

The campaign plan originally established called for a mid-term review of progress, an evaluation of goals accomplished, and an assessment of future needs. By God's grace, much was accomplished in Campaign Phase I as a result of the Lord's generous provision, made possible through the valuable support of ministry friends, donors, and supporting churches. As we initiate Campaign Phase II, the following needs and goals have been identified to provide needed funding for capital projects and renovations as well as developing reserve, scholarship, and endowment funds to ensure future financial stability for the ministry.

### **\$3.5 million - Additional capital needs, program expansion, and renovation of current facilities**

Over the past five years, usage of our facilities at the Union Grove, Wisconsin campus has changed and expanded significantly. To accommodate the establishment and rapid expansion of Shepherds College, the Wood Center has been extensively renovated from residential areas to dorms, classrooms, kitchen and dining facilities, offices and student

## Turning Point Capital Campaign, Phase II Case Statement

### Page 4

life centers for Shepherds College. This is in addition to two new residential buildings added for the college early in Phase I of the campaign.

It is interesting to note that over 50 years ago, the Wood Center was built to accommodate the original Shepherds Home and School. Through extensive renovation for Shepherds College, this building has been transformed for a return to its educational roots. At the same time, our residents have all advanced from their institutional style living units to group homes, cottages, and even off campus apartments that promote a higher level of independent living to match their own level of skill and abilities.

Going forward, additional funding will be needed for further renovation of existing buildings to support the maintenance and expansion of our programs and services to residents, clients, and students. As Shepherds College continues to expand, construction of additional group homes and apartment style living facilities will be needed. Due to the extent of the Wood Center renovations, adequate dormitory space is in place to accommodate the planned growth for Shepherds College. Group home and apartment style residential facilities are vital to the continuation of the Shepherds College residential progression which promotes student growth in daily living skills, the pursuit of Appropriate Independence, and preparation for life after Shepherds College.

The introduction of additional specialty majors is an important factor of the continued growth and sustainability of Shepherds College. It is imperative that new majors focus on preparing graduates with the necessary skills to enter the workforce within the respective field of study. The next planned specialty major will train students in the general field of technology, looking to leverage the great interest and abilities in this field of many individuals with intellectual disabilities. In conjunction with the advent of a technology specialty major, Shepherds College plans to expand its general computer training for all students through the addition of courses specific to computer skills and the greater implementation of technology throughout all facets of the school's programming.

The leadership of Shepherds Ministries has made every effort to be good stewards of the property and facilities that the Lord has provided. Plans have been carefully made for taking the steps required to utilize and renovate existing facilities before considering the cost of new construction. As a result, Shepherds has maintained its policy of completing renovation and new construction projects as God provides the resources, remaining free of long term debt.

### **\$500,000 – Development and initiation of the Shepherds Resources Program – A Train for Life Initiative**

Shepherds' mission to reach individuals with intellectual disabilities and their families for Christ and to support them in achieving Appropriate Independence should be advanced through a *Train for Life Initiative*. The action component of Appropriate Independence, which is the driving philosophy of Shepherds Ministries, is **Train for Life**. Subsequently, training and education needs to become our central ministry focus.

## Turning Point Capital Campaign, Phase II Case Statement

### Page 5

In order to *Train for Life*, Shepherds needs to position itself as a key resource for those seeking knowledge and skills as it relates to serving our targeted ministry groups. These groups include staff, clients in our residential program, Shepherds College students, parents of children with intellectual disabilities, as well as educators and ministry leaders who have a passion for ministry to people with intellectual disabilities. If Appropriate Independence is to be realized by individuals with intellectual disabilities, a comprehensive training initiative must be developed.

Recent advances in technology and learning suggest that leveraging a cloud based strategy will be critical for achieving our *Train for Life* initiative. Through the Internet, Shepherds has potential access to a far wider population than can be touched through our current on-campus programs. Therefore, Shepherds needs to develop and deliver online knowledge resources to those needing encouragement, counsel, skills, and information regarding the special needs population. Webinars, recorded eLearning modules, videos, online classes, discussion groups, live coaching interactions, downloadable eBooks, and articles can all take place on a universal platform that transcends geographical boundaries.

### **\$1 million – Scholarship Funds**

As Shepherds College was launched and began its rapid growth, donors as well as family and friends of students inquired about opportunities for making scholarship gifts. What an encouragement to have these thoughtful ministry friends recognize the need and impact of having scholarship funds available to provide some level of financial assistance to our growing student body.

To date, two scholarship funds have already been established. **Our General Scholarship Fund** accepts gifts of \$2,500 or more which are pooled together to generate income to be awarded as scholarships to needy students. We have also established a **Named Scholarship Fund** program requiring gifts of \$100,000 or more to make available an annual scholarship, awarded to a deserving student in memory of or in honor of a loved one named by the donor. Starting with a first class of six students, Shepherds College has already grown to a student body of 60 in just five years. As the college continues to grow, the need for scholarship funds will become critical for more and more students.

### **\$3 million – Foundation Reserve accounts to provide financial resources for future capital projects and program development**

The Shepherds Foundation was established in 2004 to not only serve as the philanthropic arm of Shepherds Ministries, but also to accomplish a most critical objective identified decades ago – that of building financial stability for the future. This 50<sup>th</sup> anniversary campaign was the first of all fund raising campaigns in the history of Shepherds in which the need to build financial stability was included as part of the long-term campaign goal.

## **Turning Point Capital Campaign, Phase II Case Statement**

### **Page 6**

Shepherds Ministries has been blessed by many faithful donors who thoughtfully remembered us through a generous bequest in their will. Because of the urgent need for funds to meet operational costs and maintenance expenses, bequests and maturities from planned gift arrangements were needed to supplement operational and gift income.

Although not among the priority objectives for Phase I of the Turning Point Campaign, several new planned gift arrangements were established to begin the process of building financial reserves for the future. In addition, as we launched Campaign Phase II, the leadership of Shepherds established a new policy of setting aside 25% of all income from bequests, estate gifts, and planned gift maturities into a Foundation Reserve Fund to further advance the important goal of building future financial stability. Through additional bequests, estate gifts, and planned gift arrangements, we hope to make significant progress in building a much needed ministry reserve fund through Phase II of this historic 50<sup>th</sup> Anniversary Turning Point Campaign.

### **\$2 million – Endowment Funds to provide income for program support, research, and development as well as building financial stability**

The benchmark recommended for organizational financial stability is to build reserves and endowment funds equal to at least double the annual operating budget. These permanently restricted funds are designed to preserve capital while generating investment income for program support, research, and development to expand and establish new programs as needed as well as building future financial stability. Endowment funds (and reserve funds) also serve as a hedge against economic downturns similar to those we have experienced in recent years.

We are so grateful to have some families who recognize and support the urgency and benefit of ministry endowment funds. Their initial gifts have grown to a current value of nearly \$500,000. Although their generous gifts have provided a most encouraging start toward achieving this important goal, we trust that others will join the effort through Phase II of the Turning Point Campaign by establishing additional endowment funds through outright gifts, bequests, estate plans, and unique gift planning arrangements.

### **The Turning Point**

When we selected a name for this campaign prior to our 50<sup>th</sup> anniversary celebration in 2008, we anticipated that the vision for Shepherds College and transition from institutional model to community model of care would transform our ministry work. As a result of God's blessing through the hard work of our dedicated staff and generous investment by so many participating in campaign Phase I, we have truly experienced a **Turning Point** that has opened doors for ministry opportunities unimagined just a few short years ago.

## Turning Point Capital Campaign, Phase II Case Statement

### Page 7

The selection of our campaign Scriptural verse has been such an inspiration through the Campaign Phase I journey and encouragement as we move forward to seek God's will and His way through Campaign Phase II:

“Behold, the former things are come to pass, and new things do I declare;  
Before they spring forth I tell you of them.” Isaiah 42:9

We invite you to prayerfully consider how God may be directing you to use gifts, gift commitments, assets, and gift planning arrangements as the source of His provision to meet the exciting and challenging goals established for Shepherds Ministries in the Turning Point Campaign – Phase II. **Your valuable partnership through prayer and generous financial support will have a life changing impact in reaching out to individuals with intellectual disabilities to help them achieve their full, God-given potential.**

### Shepherds Leadership Team

#### Shepherds Ministries Board of Directors

Mr. Bill Clark, Chairman  
Mr. Ron Pierre, Vice-Chairman  
Mr. John Matthiesen, Treasurer  
Dr. David Gower, Secretary  
Dr. Kent Amstutz  
Mr. Mark Bainbridge  
Rev. William Bernhard Jr.  
Mr. Jeff Bowen  
Mr. Robert Cone  
Dr. Paul Dixon  
Mr. James Edgar  
Mr. Shonn Foy  
Dr. Cheryl Irish  
Rev. Sam Polson  
Rev. Tom Price  
Mr. Mark Stevens

#### Emeritus Board members

Mr. Lawrence Cayton  
Mr. Harold High  
Dr. William Pyne

#### Shepherds Foundation Board of Directors

Mr. Robert Cone, Chairman  
Dr. William Amstutz, President  
Rev. Tom Price, Treasurer  
Dr. David Gower, Secretary  
Rev. William Bernhard, Jr.  
Ms. Jessica Braeger, Attorney  
Dr. Paul Dixon  
Ms. Jan Hansen  
Mr. John Matthiesen  
Rev. Sam Polson  
Mr. John Treiber

#### Shepherds Ministries Executive & Administrative Team

Dr. William Amstutz	President
Dr. Russell Kinkade	Executive Vice President
Mr. Tracy Terrill	Executive Director Shepherds College
Mr. Daniel DiDonato	Vice President Development
Miss Michele McGarry	Program Administrator
Mr. Owen Lackey	Facilities Administrator
Mr. Allan Castelli	Director Shepherds Enterprises
Mrs. Kathy Cooper	Controller