

2016 ANNUAL REPORT



A MOVEMENT OF GOD

A Movement of God? Yes, God is on the move. The prophet Zechariah wrote, "Not by strength or by might, but by My Spirit, says the Lord" (Zechariah 4:6). Jesus said, "Apart from me, you can do nothing" (John 15:5). We can't do this ministry alone. The person, words and work of Jesus are active and moving through Marketplace Chaplains. His Spirit is energizing, enabling and creating divine appointments for every chaplain to share the love of God with employees in the workplace. That is our mission. And that is what is happening.

In this annual report, you will see the evidence of God on the move. We celebrate financial health, growing numbers and lives that are changed. God is bringing new companies into our care, every week. God is providing qualified chaplains every day. This report is about our mission, told in many stories, real life stories. So, join us in the celebration.

Donna and I have prayed like never before. Will you join us and ask God to continue to do only what he can do? Thanks for praying!

Doug and Donna Fagerstrom
President and CEO



AN EMPLOYEE'S STORY

by Matt Gurley, Employee at Encore Wire

My story begins in 2012 when I was laid off from my job, my girlfriend was pregnant and I had nowhere to live. I began the job search, with no luck. I was doing odd jobs to get by. I finally ran into a buddy of mine that said Encore Wire was hiring. With nothing to lose, I applied and was hired on the spot. I was excited to be headed in the right direction.

During my orientation at Encore, I learned about chaplains and what they do to care for employees. That was nice, but I was an agnostic; no need for a chaplain. Then I met Chaplain Henry Hammons and Chaplain Lowell Howard. We started just talking, then questions, causing me to think deeply about my life. After months of talking with the chaplains, things started to make sense. God was bringing me closer to him with a pathway for my life.

In a short time, I was saved at work through the chaplains. Everything changed in my life. I was promoted four times and now a plant supervisor. I am now happily married, active in church and helped start a food pantry. With the chaplains' help, we are assisting nightshift employees with personal needs. I am living out Titus 3:3-7.

I am a grateful new man, in Christ Jesus!

Matt Gurley





2016 MMI GOVERNING BOARD

Will Thomas, Governing Board Chairman

Doug Fagerstrom, President and CEO of Marketplace Ministries, Inc.

Ed Bonneau, Board Secretary

Casey Gurganus, Board Treasurer

Neal Jeffrey, Director

Calvin McKaig, MD, Director

Andy Nace, Director

Phil Swatzell, Director

2016 MMI FOUNDATION BOARD

Gil Stricklin, Foundation

Board Chairman

Mark Lovvorn, Vice Chairman

Ed Bonneau, Vice President

Dan Farrell, Treasurer

Calvin McKaig MD, Director

Ray Pace, Director

GOD'S GREATEST BLESSINGS, AND YOUR MOST GENEROUS GIVING, MAKES 2016 THE MARKETPLACE MINISTRIES FOUNDATION'S LARGEST GROWTH YEAR EVER

By Gil A. Stricklin, Chairman and CEO, Foundation 2016

After observing and leading the Marketplace Ministries Foundation, from its first day and throughout its 19 years, it is thrilling to observe its largest growth year ever. Total revenue for support and investment earnings in the 12 months of 2016 totaled \$1,891,503.

Some 130 godly and generous givers added \$568,278 of new contributions to their endowments established in the Foundation, and for other ministry purposes. The remaining \$1,323,225 was added by investment growth and earnings during the year. The overall return on investment growth of assets managed by Hodges Capital and

Westwood Trust was 11.9%, one of the largest returns ever.

Over nearly two decades of Foundation assets being invested conservatively, a total of \$1,443,000 has been earned by the investments in the endowments. The average individual gift to endowments in 2016 was about \$4,400, bringing endowed funds in 66 endowments, and 76 "Friends of the Foundation" funds, to \$5,433,169. All Foundation assets totaled \$11,000,000 as of December 31, 2016.

All those helping build Foundation assets to sustain the work of God on earth "...excel in the grace of giving" (2 Corinthians 8:7).

REFLECTIONS FROM THE GOVERNING BOARD by Will Thomas

"Praise be to the God and Father of our Lord Jesus Christ, the Father of compassion and the God of all comfort, who comforts us in all our troubles, so that we can comfort those in any trouble with the comfort we ourselves receive from God. For just as we share abundantly in the sufferings of Christ, so also our comfort abounds through Christ. If we are distressed, it is for your comfort and salvation..."

(2 Cor 1:3-6, NIV)

The highlight of serving on the Marketplace Ministries Governing Board is my personal opportunity to 'shadow' a chaplain serving one of our 3,165 company locations. During a recent visit, I saw anew what God is doing as 1,251 Marketplace Chaplains build on long-standing relationships, comforting employees with the same comfort that the Chaplain has received from God. I observed the Chaplain enter into lives of employees: offering to pray for a family ravaged by drugs, encouraging a woman anticipating surgery, laughing with a man considering next steps with his girlfriend, sharing about grace found in Jesus, and more. Years ago, I received this same consistent and unchanging comfort when tragedy struck while I worked at a company served by Marketplace Chaplains.

On the front lines of care, Chaplains have embraced amazing changes in 2016, including a new leadership model, the new Digital Care Platform to enhance reporting and employee engagements, and record numbers of new companies and employees served. As God has provided resources, we have invested to strengthen our Chaplain teams to better serve employees, and enhanced our training Academy with new tools and methods for new chaplains. Has all the investment and effort been worth it? Read the answer from our support team and chaplains in this report. More importantly, ask any of the thousands of employees we've brought comfort or the Word of salvation, and you'll hear the answer: "Yes!"

Praise to the God of all comfort,
Will Thomas, Governing Board Chairman



AT THE END OF 2016:

176,104 EMPLOYEES SERVED

INCLUDES 5,295

INTERNATIONAL

CANADA
MEXICO
SCOTLAND
PUERTO RICO
CHINA

738

COMPANIES

3,165

LOCATIONS SERVED

1,251

ASSIGNED
Chaplain Care
Leaders &
CHAPLAINS

90

RESERVE
CHAPLAINS

43

STAFF

MISSION:

To share the love of God in the workplace by providing an employee care service through Chaplain Teams.

CORE VALUES

- PEOPLE** WITH EXCEPTIONAL CARE
- TRANSFORMATION** WITH GOD'S LOVE
- MARKETPLACE** WITH CHAPLAIN TEAMS
- EMPOWERMENT** WITH QUALITY TRAINING



RESULTS TO THE GLORY OF GOD



SPIRITUAL RESULTS	TOTAL	INTERNATIONAL
GOSPEL PRESENTATIONS	18,669	81
DECISIONS FOR CHRIST (EMPLOYEES ONLY)	802	6
BEGAN ATTENDING A LOCAL CHURCH	2,958	8
CONFIDENTIAL DISCUSSIONS	556,623	
CHAPLAINS HOURS SERVED AT WORKSITES	329,851	


+16,302
 MORE
 EMPLOYEES
 + 44,830
 FAMILY MEMBERS


+135
 NEW
 COMPANIES


+262
 ADDED
 CHAPLAINS



THE VISION: to reach 1% of North American Employees

OF AMERICANS IN THE WORKPLACE: **130 MILLION EMPLOYEES**

% OF EMPLOYEES REACHED BY MARKETPLACE CHAPLAINS: **.135% towards 1.0%**

A CHAPLAIN'S CALLING

by Henry Hammons, Chaplain

God prepares us for where He wants to lead us. I believe, that all my past life experiences – raised by Christian parents, 46 years of marriage, successful career (HR, Planning and Marketing) – have led me to the place where God wants me at this time.

After retiring from a major oil company and relocating to Texas, I had three major goals: to become actively involved in my new neighborhood, my new city, and my new local church. However, I soon realized there must be something more, something greater to maximize the spiritual gifts God gave me to be a servant leader.

After about a week of praying for “something more,” I received a phone call from my cousin in East Texas. She was excited to tell me about her new role as a Marketplace Chaplain. Her enthusiasm led me to call MCHAP to see if they would consider employing me, a simple businessman and lay person with no pastoral experience. Surprised, they hired me!

I, unequivocally, am enjoying where God has me right now. I have the opportunity to share with young men God's design for marriage; His plan of redemption regardless of where we are or where we have been; His deliverance of joy and peace when we don't deserve God's grace.

Most recently God gave me a new testimony: the prayers of the righteous avail much. God heard and answered the prayers of other Christians in my church, the community, the companies I serve, and other Marketplace Chaplains. He completely eliminated my cancer, and He did it without severe pain or easily recognizable disfiguration.

Now I also witness to others that He not only prepares us for where He wants to lead us, but while on the journey, He will surround us with prayer warriors.



Tim Latimer, CEO of Cashco Financial

Over and over again I am amazed at the impact the Marketplace Chaplains has had with our people. Repeatedly, I hear from our staff that this one act of having a care team that visits on a regular basis shows the company cares. The Marketplace Care team is our words in action. But perhaps even more importantly they make a real difference in our people's lives. They are there during the difficult part of our people's lives.

They have arranged and attended funerals, celebrated new families being started, been there for serious life struggles, intervened in suicide attempts and cared during sexual abuse situations. But if that is not enough, every visit ends up with at least one critical confidential conversation during a visit of over 100 people. That means every visit is impacting lives deeply. Every visit is caring in action. That's impactful. That's Marketplace Chaplains.



NEW CCL LEADERSHIP MODEL DRIVES THE FUTURE

by Rich Shockey

Our new Marketplace Chaplains 'Company Care Leader' (CCL) model is working. Here are the good things I see happening as we develop 37 effective - and more reproducible - Divisions to achieve our 1% Solution, reaching as many employees as possible, to the glory of God:

- Better Communications - Chaplains in each division now have direct access to their Chaplain Care Leader for training and coaching.
- Unified Approach - A single Executive Vice President provides much more uniformity and consistency to nationwide chaplain care.
- Accountability - There has been a renewed emphasis on accountability, including: Company report consistency; Chaplain team meetings; Hiring process timeline.
- Personalization - There has been a significant shift toward personal connections, with an emphasis on face-to-face relationships. More meetings, smaller divisions, and appropriate workloads for CCLs have enabled this.
- Streamlined - Administrative bloat has been reduced by simplifying the chain of command and providing excellent administrative assistants at our National Care Center.
- Reproduction - A reproducible model has been put in place whereby a division can be birthed when they grow beyond current capacity. We've already experienced two of these and will see more coming soon.
- Training - The new training department initiatives have streamlined and standardized the training process tremendously.

Qualitatively speaking, chaplains are feeling more care due to a more direct connection with CCLs, and the company leaders we serve are getting more face time with their CCLs. The new model is working wonders.

Company Care Leader (CCL)
Rich Shockey (Iowa/Missouri)



MARKETPLACE MINISTRIES, INC.

Statements of Financial Position

As of December 31, 2016

ASSETS:

Current assets:

Cash and cash equivalents	\$356,014
Accounts receivable—net	655,853
Prepaid expenses and other assets	142,594

Total current assets..... 1,154,461

Property and equipment—net

1,743,235

Assets held for long-term purposes

382,987

Total Assets\$3,280,683

LIABILITIES AND NET ASSETS:

Current liabilities:

Accounts payable	\$110,821
Accrued liabilities	557,160
Deferred revenue.....	46,069
Due to Foundation.....	1,134
Total current liabilities.....	715,184

Long-term liabilities:

Deferred compensation.....	382,987
Total long-term liabilities	382,987

Total liabilities..... 1,098,171

Net assets:

Net assets held by Foundation.....	(2,527,567)
Unrestricted.....	3,627,360
Temporarily restricted	1,082,719

Total net assets..... 2,182,512

Total Liabilities and Net Assets \$3,280,683

The financial statements are unaudited reports.

MARKETPLACE MINISTRIES, INC.

Divisional Statements of Activities Year Ended December 31, 2016

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
SUPPORT AND REVENUE:			
Contract income	\$15,414,965	\$-	\$15,414,965
Contributions	176,181	42,758	218,939
Special event support.....	227,388	-	227,388
Contributions in-kind.....	175,839	-	175,839
Investment income—net.....	14,498	-	14,498
Other income	1,989	-	1,989
Total Support and Revenue.....	16,010,860	42,758	16,053,618
RECLASSIFICATIONS:			
Net assets released by satisfaction of purpose	165,330	(165,330)	-
EXPENSES:			
Program services:			
Chaplain services	13,430,891	-	13,430,891
	13,430,891	-	13,430,891
Supporting activities:			
Management and general	2,715,626	-	2,715,626
Fund-raising	109,186	-	109,186
	2,824,812	-	2,824,812
Total Expenses	16,255,703	-	16,255,703
Change in Net Assets.....	(79,513)	(122,572)	(202,085)
Net Assets, Beginning of Year	3,706,873	1,205,291	4,912,164
Net Assets, End of Year	\$3,627,360	\$1,082,719	\$4,710,079

The financial statements are unaudited reports.

MARKETPLACE MINISTRIES FOUNDATION, INC.

Statements of Financial Position As of December 31, 2016

ASSETS:

Current assets:	
Cash and cash equivalents	\$319,657
Due from Ministry	1,134
Total current assets	320,791
Assets held in perpetuity and for long-term purposes	10,676,134
Total Assets	\$10,996,925

LIABILITIES AND NET ASSETS:

Liabilities	
Accounts payable	\$17,150
Net Assets:	
Net assets held for Ministry	2,527,567
Unrestricted	3,229,674
Temporarily restricted	1,443,429
Permanently restricted	3,779,105
Total net assets	10,979,775
Total Liabilities and Net Assets	\$10,996,925

The financial statements are unaudited reports.

Statements of Activities As of December 31, 2016

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
INCOME:				
Public support:				
Contributions	\$130,000		\$438,278	\$568,278
Revenue:				
Investment income-net	775,600	547,625	-	1,323,225
	905,600	547,625	438,278	1,891,503
EXPENSES:				
Supporting activities:				
Grants and scholarships	65,606			65,606
Management and general	306,142		-	306,142
Fund-raising	202,941		-	202,941
	574,689	-	-	574,689
Change in Net Assets	330,911	547,625	438,278	1,316,814
Net Assets, Beginning of Year	2,898,763	895,804	3,340,827	7,135,394
Net Assets, End of Year	\$3,229,674	\$1,443,429	\$3,779,105	\$8,452,208

To request additional financial information, including a copy of the 2016 Audit Report or IRS Form 990, please contact Larry R. King, Chief Financial Officer, at larryking@mchapus.com or 972-941-4400

Celebrate These Missional Steps Achieved in 2016:

Digital Care Platform (DCP) was designed and developed to bring more concise, on-time data from our chaplains to the actual reports received by company leaders. This \$1.6 million expense was funded by the Foundation.

Company Care Leaders (CCLs) is the new title of our field leaders. These 37 men and women lead our divisions across the US, as you've read in Rich Shockey's reflections in previous pages. Shane Satterfield leads our team of CCLs with best practices and improved communication tools.

Academy is the new name for our chaplain training program. Led by CG Maclin, Millicent Poole and Dan Truitt, we have created a new "Teaching Guide" complete with QR codes, hosting 30 videos to train chaplains with best practices.

Church Denominations engaged. Chaplain Recruiter Joan Hayward is establishing formal relationships with major evangelical denominations to recruit chaplains. By the end of 2017, we expect to be "connected" to over 10,000 churches so we can meet hiring demands required by our growth.

Major Companies Strategists focus on our largest 25 companies served, bringing clearer reporting, customized chaplain service and better communications with company leaders. Jim Tereschuk leads this team of strategists, located throughout the nation.

Canada Growth continues in our North American neighbor. Seon Smith was added as a full-time Company Care Leader, our first in Canada.

Celebrate We give God the glory for the second-best year in a row for company expansion and new employees added to our care. We are humbled and honored that God would entrust us with more people to share his love and grace. In addition, we are witnessing ongoing growth in Canada.



ACHIEVING THE MISSION — FORWARD MOVEMENT

CABINET REFLECTIONS

Our Cabinet comprises the organizational leaders of Marketplace Chaplains. They represent six vital offices in which God's spirit is working. While we celebrate all of our chaplains and staff, the following leaders provide godly support and direction to our vision, called the 1% Solution, seeking to reach 1% of the North American workforce, in God's time. Here is how you can pray for the initiatives under their care:

In the coming year we will be actively assisting Company Care Leaders (CCLs) to improve company retention, chaplain retention, refining the curriculum for new CCL Training, implementing greater overall communication and integration with Major Companies.

-George Cotter, President of Chaplains, USA

The entire Marketing Team is Seeking the 'Yes' God has already prepared to add 170 new companies to serve.

-Jason Brown, Chief Marketing Officer

I would love to see us expand in Canada through the addition of a significantly large company that would launch our service in new areas of North America. For the Marketplace Chaplain Academy in this coming year, we anticipate the development of new digital resources to aid chaplains in the field with quick access to succinct, focused tools to meet needs of those we serve.

-CG Maclin, President of International Services and Training

I am praying that God will continue to guide and direct all of our on-going modernization efforts in the Human Relations department, and that chaplains who serve with us are encouraged, strengthened, and anointed by God to do His will wherever and with whomever they serve.

-Heather Yarbrough, Director of HR

We are working hard to accomplish a financial condition for the Ministry and the Foundation that is stronger than ever and enhances our ability to meet all our obligations and provide funds to build the Ministry and take advantage of new opportunities to serve God as He provides.

-Larry King, Chief Financial Officer

In the coming year, we plan to complete the numerous needed reporting tools and dash boards requested by leadership, Company Care Leaders and administrative staff to aid our in our newly customized company evaluations and support.

- Gary Ellis, Chief Information Officer



MARKETPLACE MINISTRIES, INC.
2001 W. PLANO PKWY. STE. 3200
PLANO, TX 75075
www.mchapusa.com