



*Rubbing*

## PENNIES TOGETHER *by Merle Herr*

Lending is a very old economic activity. The Old Testament even contains some guidelines and stories about lending. Long before lending was organized into lending institutions, individuals with capital needed some way to keep their money working.

### Keeping Cash working

The parable of the talents, along with the principles of stewardship, calls us to be prudent and productive with the assets that God places within our care. This applies to many types of talents and valuables, not the least of which is our cash. Burying your talents or hiding your cash is quite foolish. However, it is even more foolish to place your money into the hands of the imprudent. Rarely do you hear about anyone guilty of hiding significant sums of money under their mattress or in a household safe. Yet stories abound of foolish individuals that unknowingly entrusted their savings into the hands of the imprudent. Nonetheless, there are ways to invest cash without committing the sin of hiding your cash or losing it to the imprudent.

Risk aside, deep within the human heart is the desire to participate in something that matters, something that produces gain and good. A good work ethic requires that both our hands and our cash

be productive—not lying idle. In the truest sense, cash is the past work of our hands extending into the future to help someone. Cash is yesterday's work.

### Keeping Cash Cold

Cash can have many productive functions, but one of the best is when it is used to create and further brotherly relationships. Have you ever heard the expression “cold cash” or “just cash?” Such expressions illustrate the fact that much lending and borrowing is performed with little relational context. Borrowed cash is cold when you have no personal relationship with the person or group of people that are extending their hands to you. Do

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**“Warm cash can yield an immeasurable return of connection and camaraderie.”**

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you care that your cash works in a manner that creates economic gain *and* relational gain? Are you skilled in facilitating agreements that enable your cash to “stay warm”—in other words, building relationships which encourage, enable and bring a sense of belonging to both parties?

On the other hand, it is sometimes fitting to keep cash cold. Sometimes an investor's identity is best hidden from the borrower in order to protect the investor. Sometimes an investor has cash to reinvest, but does not have the financial wisdom to direct borrowers in prudent decisions. Sometimes it is fitting for the borrower to borrow cold cash from an institution because the institution provides better financial parameters and strategic planning. Since cash is an extension of our hands, it has relational power. You cannot extend your warm hand of cash to another without significantly affecting the relationship for better or worse.

### Keeping Cash Warm

In many situations it can be pure joy to help or be helped by someone within your circle of acquaintance. Warm cash can be one of the strands of love that binds a family or friends together. Before the advent of lending institutions, (cold cash makers) most people reinvested warm (relational) cash with relatives, friends, and colleagues. While the rate of return is often similar, warm cash can yield an immeasurable return of connection and camaraderie.

Warm cash is the essence of mutual aid. Mutual aid is a term that did not exist in the early twenti-

## PROMOTION IN LIFE

by *Richie Lauer*

Years ago, I knew of a man named Bill who worked in upper management at a large trucking company. He enjoyed his work, and the company recognized his abilities and diligence by granting him steadily increasing promotions and some financial rewards. Bill was clearly a man who was “climbing the ladder.” Eventually, a lucrative position in the top circle of management opened up, and, to the surprise of none, it was offered to this competent man. The salary increase was substantial. Bill turned it down.

He chose to stop “climbing the ladder” because of the strings that were attached to the promotion. The top management of this large company acted like an elite group. They spent weekends, including Sundays, together at high-class social functions and retreats. Bill’s participation was expected as part of the position. He forfeited the promotion to honor his conviction against working on Sundays and remained in his lower status. His convictions were ridiculed.

Some time later, this large company suffered reverses, and the leadership was changed. When the company needed a man for top management, it reached down and chose Bill. His humble testimony to his friends was Psalm 75: 6-7: “For promotion cometh neither from the east, nor from the west, nor from the south. But God is the judge: he putteth down one, and setteth up another.”

We often fail to give God enough

credit for the control He exercises over life circumstances. Read the story of Laban catching up with Jacob in Genesis 31. Laban said, “It is in the power of my hand to do you hurt: but the God of your father spake unto me yesternight, saying, Take thou heed that thou speak not to Jacob either good or bad.” Laban was not himself a godly man, but God intervened and limited his options. In the book of Job, God set exact boundaries of what Satan was and was not allowed to bring into Job’s life, and Jesus told Pilate, “Thou couldest have no power at all against me, except it were given thee from above.”

Wherever you will be five years from now, God is already there and is arranging the circumstances that will be coming into your life. If you are faithful to Him and His Word, He will accept responsibility for the outcome. God does not put everyone in high positions, and wealth is never the sure sign of His special favor, but He provides his children with a spiritual hope and a safe future. God is, and God is good! Ω

## OPEN HANDS FUND UPDATE

by *Merle Burkholder*

The Open Hands Fund Savings Group Project in the Miragoane area of Haiti is progressing nicely. The earthquake-related disruption delayed program development by a month or two, but things seem to be back on track now, since that area did not experience the worst of the disasters. There are some severely damaged

houses, and hunger has been a problem.

Lyndon Swarey returned to Cadac, Haiti, the last week of February. He is getting readjusted to life in Haiti and seems to be doing well in his role as program liaison person. He attended a week of training in the Dominican Republic and observed the savings groups that HOPE International has started there.

Merle Burkholder visited the program in March and was impressed with the groups and what they are doing. We have two Haitian Mennonite men hired as “facilitators” to help local groups to form, to teach, and to provide ongoing guidance to the groups. To date, a total of 13 groups have been formed, with a total of 282 Haitian members. Three of the groups are rotating savings and credit associations, seven are accumulating savings and credit associations, and two groups are simple savings groups. These participants are finding that they are not helpless to improve their own lives if they will apply Biblical principles, become accountable to each other, and learn the principle of regular savings. We plan to conduct a full review of the program in June to assess its strengths and weaknesses before expanding it.

The traditional micro-finance fund that we have in Northeastern Haiti is a separate venture and is going well. There was little earthquake damage in that area as well. The loans are nearing the end of their third six-month loan cycle. We are still experiencing a 97% repayment rate on the loans, meaning that the large majority of the dollars

given for this effort are recycled into new small business loans for additional participants. The circle of Haitian families helped by this program continues to



Open Hands coordinator Lyndon Swarey with Johnson Jeudy, one of our Haitian facilitators.

grow. The \$50,000.00 in this loan fund was provided by donors who are interested in helping poor people learn to provide for themselves instead of relying on outside relief aid.

The Open Hands Fund Committee is exploring the possibility of beginning a savings group program in the Hyderabad area of India in 2011, but we need and are searching for an Anabaptist mission organization to be a partner in this general area. If we are able to secure a mission partner, we will consider conducting a feasibility study in the fall of 2010, with the potential program launch as early as the spring of 2011. Ω

**Anabaptist Financial is seeking to hire** someone with accounting experience to join our office staff in New Columbia, PA. If you are interested and would like to learn more about this opening, please contact our Operations Officer at: 800-653-9817, ext. 707 or [timstoltzfus@afweb.org](mailto:timstoltzfus@afweb.org).

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eth century. The Amish and Mennonites coined this term sometime towards the middle of the century. While mutual aid has many physical expressions among Anabaptists, cash is no small player. The principle of brotherly mutual aid is quite simple; mutual assistance and benefit between brothers in Christ. The application of cash in mutual aid is equally simple; warm the heart of your brother with cash. One way this is accomplished is through a private loan between an investor and borrower. Some may call this a personal loan. Regardless of the term, warm cash is very personal and very relational.

### Why We Get So Emotional Over Money

Some people fear lending cash through a personal loan to an acquaintance. Why? Because warm cash has great potential to cause sorrow and bring conflict to a relationship. We have all heard the horror stories of a borrower that fails to repay a personal loan—and the resultant disappointment and injury to a relationship. This is an inherent weakness of personal loans. However, it is also the inherent beauty of a personal loan. With a personal loan, both parties are in a relationship deeply laden with emotions. Money naturally draws to the surface feelings in the heart. Lending cash will always affect a relationship. Due to our heart's connection to money, losing it becomes a painful experience. We should not try to stay emotionally detached from the treasure of our labor (money) in the Lord in order to avoid pain when our money is lost by another. For the mature in heart, emotions will always swirl around our treasures. We should grieve and mourn if our money is lost by the imprudent actions of another. When an investor puts heart and soul in his labor and produces a profit, the resulting cash will carry tremendous emotional and spiritual feelings and meaning. For the mature in Christ, cash is never "just cash." If you find the grace of Jesus in your work, you should find grace in the resultant cash as well.

Should we avoid making personal loans just because of the potential of hurt and conflict? God forbid. If Anabaptists continue to depart from the practice of weaving their hearts together with cash, we will wake up some day and wonder why we are no more cohesive than the next religious group. Work connects us! Cash connects us!! Commenting on

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**A**lthough Anabaptist Financial provides financial services, we are not a bank, but an investment and loans pool among our conservative Anabaptist communities. While that distinction certainly affords many unique advantages for our participants, it does at times occasion certain disadvantages.

Though Anabaptist Financial seeks to maintain rigorous lending standards, we are able to grant loans with minimal paperwork and cost. We use constituency affiliation and deacon references during the application review, and a borrower does not need to “jump through all the hoops” that are typically required at a bank. In addition, by working with the local brotherhood, we are able to assist in loans to needy church members who would not qualify for a loan at the bank.

However, because of our size and other limitations, we are not able to offer the wide range of loan servicing options which some banks may, such as flexible payment dates, online payment options, and multiple payment plans. Also at this time, Anabaptist Financial is not able to offer fixed interest rates, as can banks, which participate in federally-funded programs.

The greatest advantage which we offer both investor and borrower is participation in a network of conservative Anabaptists, who share a common doctrine and way of life. The investor knows where his money will be used, and the borrower knows where his money comes from. Additionally, Anabaptist Financial has organized its investment and loans program around the relationship principle of *brotherly aid with mutual gain*: the investor brings *aid* to the borrower, and both experience *gain*. These principles of mutual aid and brotherhood can never be matched at the bank, and offer protection and security for both borrower and investor.

Anabaptist Financial appreciates when participants take time to respond, and we continue to work on the suggestions for improvement that we’ve received from borrowers and investors alike.

We would like to share a few sample comments which we’ve received from participants, expressing the heart of why Anabaptist Financial exists:

➤ *I am very thankful to be able to borrow within an Anabaptist brotherhood.*

➤ *Anabaptist Financial is heaven-sent. I had my money in an IRA account with our local, secular bank for several years. I never could understand the monthly statements, and closing out the account was a nightmare of phone calls and papers. Thank you for the good work.*

➤ *I am thankful for a loans and investment place that holds the same value system I do.*

➤ *We are thankful that we have a financial institution like this to invest some funds. A group that thinks like we do.*

➤ *I think that this is a great way to share and invest in things that aren’t used for alcohol, pornography, and corrupt business.*

➤ *Your uncomplicated and inexpensive loan initiation was wonderful.*

➤ *We appreciate the opportunity to invest our money in Anabaptist Financial. The staff was very helpful in explaining the process and to get our money back out was easy and quick.*

➤ *We very much appreciate being able to invest and help others within the Anabaptist community.*

➤ *Thank you very much for the hard work and effort you all do, especially to the secretaries. Your friendliness and cheery ways are much appreciated.*

➤ *It gives me some confidence knowing that your organization has quite a number of directors and advisors on your board so that responsibilities are shared.*

➤ *I’m grateful for a place that invests funds in ways that are congruent with Anabaptist beliefs! Thanks for making this possible!*

➤ *We appreciate the job you are doing. Keep being understanding, and get back with the borrowers as soon as possible when they have questions. Thank you!*

➤ *It’s really great to know my money is benefiting others in God’s family. Ω*

## Must I Do This?

*The following story is a composite of several situations. Names, locations, and other facts have been changed to illustrate and simplify the case.*

Keith was always busier than the proverbial one-armed paperhanger. It seemed there was never enough time to do all the urgent tasks during business hours. Although his wife complained, it was normal for him to return to work several evenings each week. Even with that extra time, it seemed to Keith that he was getting further behind on completing his urgent tasks.

His friend William gave Keith some good advice. "Concentrate on the most important tasks. If you don't get everything finished, at least you will have accomplished the most important ones."

It was hard for Keith to set priorities. He enjoyed answering business phone calls. It was nice to chat with potential customers, and everyone knew he was the best salesperson in the organization, but he had now cut back considerably on his phone time. He realized that many of the calls were inquiries about business hours and location information. Any of his employees could answer those questions. He now only took the calls referred to him by his employees. Of particular satisfaction to him was avoiding phone calls requesting that he purchase tickets so underprivileged children could attend a circus. His family never attended a circus for reasons of principle, so he wasn't interested in funding other children.

When Keith saw how much time that simple change gained him each day, he began looking for other time-wasting areas. One item came in the mail the next day. It was a six page survey from some government agency. That wasn't unusual. He probably received an average of two such pieces of survey nonsense every month. He immediately decided it was none of the business of some government employee to ask personal questions such as how much he paid each employee, details of the fringe benefits paid to each, how soon after each hire did they receive a wage increase, and other similar questions.

Since he was on a "save time" campaign, the survey quickly went into the trash unanswered. Another survey ar-

rived several weeks later. Something about it looked vaguely familiar. Sure enough when he read the bold instructions, he saw that this was a second request for the same survey. By this time his reflexes were automatic. Zoom, into the trash. He quickly forgot the survey, although twinges of satisfaction surrounded him whenever he was reminded of government intrusions.

That is, until today. His secretary brought him the day's mail, with a Registered letter on top of the stack. The folks at some government office were officially warning him that he would receive a Court subpoena if the enclosed third copy of that detested survey was not accurately returned within 10 days.

Keith acquiesced to this third demand. When he told me his story, we wanted to know whether there was any way to avoid complying with surveys. I explained there was sometimes an easy way. Most Federal and State surveys which must be completed will have a prominent statement similar to this, 'Compliance with this request is required under penalty of law.' If the form doesn't say something like it, you may ignore it. But I cautioned him to read the fine print. Some will say things like, "This form is authorized by the Bureau of ????" Others may say, "This survey approved by Federal Expenditure 98765 on (date)." Either of these or similar statements do not require compliance.

I reminded Keith that as Christians we need to obey our government when they make requests which do not conflict with the Bible. Offering willing compliance shows our obedience to the government, especially since some surveys provide us with tangible benefits, such as helping officials determine the number of law enforcement officers which may be needed in each jurisdiction. As I told Keith, saving time so we can do good is commendable, but let's not ruin our Christian testimony while doing it.

Keith learned some valuable lessons: Always read the fine print on documents, and "Render to Caesar the things which are Caesar's." Ω

*For information on Business Advising, contact Richard Shank:  
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Since its inception in 2004, our Board of Directors has maintained two solid commitments: (1) to maintain accountability to our conservative church constituency, and (2) to operate in careful compliance with all applicable state and federal regulations. Both Anabaptist Foundation and Anabaptist Financial maintain 501c3, tax-exempt status with the Internal Revenue Service and undergo annual, independent audits, which are available for public review. Additionally, Anabaptist Financial has operated, from its very beginning, under a prospectus granted by the Pennsylvania Securities Commission, which has given its approval to our investment and loans program. [If you have questions concerning these matters, we would be glad to answer them.](#) Ω

the fellowship around cash, my late deacon, Alvin Forry, would say, "You never know someone well until you rub pennies together."

### Keeping Cash Safe

We are not suggesting that you throw caution to the wind and passionately return to reinvesting cash in a brother through imprudent personal loans. Neither are we suggesting that you reinvest cash at safe financial institutions or money markets that simply generate a rate of interest without a hint of relational return. If rate of return is the primary reason controlling your reinvesting decisions, you are lonelier and more isolated than God intended. In practicing stewardship, productivity should not be achieved at the expense of relationships. A high-yielding rate of return with little relational connection and commitment can make you money-rich and relationally-poor.

Anabaptist Financial is a loan pool that provides security for money by blending the cash of many investors into one loan. This spreads the risk on an individual investor across many borrowers. While this weakens some of the relational power of cash, it provides a method for investors to still offer their hand of cash to their brother, while at the same time increasing security. Our tag line is "Stewardship Connections with Integrity." We are passionate about calling the church back to maximizing "cash connections" without losing cash. Many individuals need the safety of a loan pool such as Anabaptist Financial. Others who are mature in financial wisdom ought to consider a bit more risk with their cash and reinvest more personally and more warmly in personal loans with their brother, neighbor, or some local enterprise. For this very reason, AF offers a conduit loans (private loans) facilitation to further your options of investing your money. After all, if you want a powerful bond of fellowship with your brother, try "rubbing pennies together." Ω

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An Informational Newsletter For Financial Connections

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