



### **New Creation Design and Printing Company Children's Ministries of First Church**

Bill and Sara are husband and wife. Their families originally came from Austin. They are the owners of New Creation Design and Printing Company. Their company provides full-service design and printing options for many businesses, churches and non-profit organizations and has expanded into internet and other social media. New Creation is 5 years old. They have four other employees. They and their 3 children worship at First Church.

Gwen is the Executive Director of Children's Ministries of First Church (CM), a non-profit that was founded 10 years ago and focuses on child survival. In addition to programs in early childhood development, feeding and care of infants, and well-mother and baby programs, Gwen has taken on an ambitious new agenda that includes caring for and educating at risk children. He leads a staff of 10 people and also worships at First Church.

Gwen and her husband have been friends with Bill and Sara for many years. New Creation Printing has been the supplier for CM of a variety of brochures, pamphlets, training materials and, more recently, website design. When Gwen began to develop the new "At Risk Project," Bill and Sara were enthusiastic and offered to provide all of the services CM needed. Gwen accepted and for the first six months things were fine.

Unfortunately, CM encountered significant difficulties. The Project depends on donors and over the last year funding has diminished significantly. Gwen has had to scale back the scope of the program, while at the same time increasing his outreach to the donor community, looking for support. In the process of creating materials to attract more donors, he accumulated substantial debts, including with New Creation.

Gwen explained the situation to Bill and Sara and promised to pay as soon as he could. He reminded them that all CM projects are donor-financed and that CM could only pay when donors provided the funding. Bill and Sara said they completely understood and continued to provide services to CM, expecting to be fully paid. But, things did not pick up and Gwen now owes New Creation more than \$8,000. More troubling to Bill and Sara, Gwen has stopped returning their telephone calls. For the last two Sundays Gwen and her family have been absent from worship.

Bill and Sara have begun to feel uneasy about things. They recently added a website designer to their staff and purchased an expensive computer and programs to support website creation. Making matters worse, their printing business has dropped off. They have become angry and bitter toward Gwen. When Gwen would not return their calls, they decided to contact a lawyer, who suggested that they file a lawsuit. The attorney wrote a letter to Gwen threatening legal action unless New Creation was paid the full amount, plus 15% interest, within 30 days. An additional 15% interest would be charged for each additional month the bill remained unpaid. Bill and Sara have stopped working on the CM Project.

Last week, Bill and Sara “ran into” Gwen and her husband leaving an expensive restaurant in Austin. “I don’t have anything to say to you,” Gwen told them. Gwen got behind the wheel of her new Toyota Land Cruiser and drove away. “How can he afford to eat at this restaurant and not afford to pay us?” Bill and Sara wondered to themselves.

Gwen has become very suspicious of Bill and Sara. He once thought of them as friends, but now he thinks that all they are interested in is money. The day he ran into Bill and Sara outside the restaurant, Gwen and her husband had been meeting with a wealthy couple who were interested in the At Risk Project and had invited Gwen and her husband to lunch. Her Land Cruiser was a gift from donors and belongs to CM, not to her personally. Gwen is afraid that if she is taken to court she will have to divert money away from important children’s ministries work. She does not believe that she owes New Creation the full \$8,000 that Bill and Sara claim. In fact, Gwen says that she warned them that her ability to pay depended on donor contributions and that Bill and Sara “assumed the risk” of continuing to provide services. About \$4,000 of the \$8,000 claimed by Bill and Sara resulted from services provided after Gwen’s “warning.”

Gwen feels betrayed by Bill and Sara and by their decision to threaten a lawsuit. Gwen thought Bill and Sara shared his passion for the children.

