



United Methodist  
Foundation *of West Ohio*

Church and Organization Endowment Fund  
Packet

January 2026

### Church Endowment Fund Program Packet

The United Methodist Foundation of West Ohio is pleased to assist your church in establishing an endowment fund, or assuming the management of an existing endowment fund. This packet of materials is designed to specifically help local United Methodist Churches with that process and to meet the necessary disclosure requirements. Please contact us if you have any questions or would like assistance in completing the process.

Contents of this package include:

- Foundation FAQ
- Endowment Information Statement
- Foundation Investment Policy Statement
- Charge Conference Resolution template
- Church Gift Acceptance Policy template
- Blank Endowment Agreement Form
- Blank W9 form
- ACH Authorization form
- Stock transfer form
- Signature update form

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Websites:

[www.umfwestohio.org](http://www.umfwestohio.org)

[www.westohioumc.org](http://www.westohioumc.org)

*Helping Faithful People Build a Brighter Future*



Endowments through the United Methodist Foundation of West Ohio

## Frequently Asked Questions

### **Can you give me an overview of the Foundation?**

The Foundation is the charitable giving arm of the West Ohio Conference, responsible for handling:

#### **I.      *Gifts***

- Donations from **individuals** to direct Conference and missional purposes (other than Volunteers in Mission) including special campaigns. Donors may give by check, credit card, or stock transfer.

#### **II.     *Investments***

- Donor relations and gift management for **individuals** who have planned gifts with the Foundation such as Donor Advised Funds and Charitable Gift Annuities, or who are interested in making planned gifts.
- Donor relations and investment management for the Endowment funds held by the Foundation from churches and Districts; and those established by individuals that benefit various causes. The Foundation charges a fee (also called “basis points”) to manage those funds through Wespath Institutional Investments.

#### **III.    *Charitable Giving Consultation***

Because our mission is to equip local congregations with the philanthropic resources they need to make disciples of Jesus Christ for the Transformation of the World, we also help local churches with:

- Stewardship programs (annual pledges from congregation members/attendees)
- Legacy Programs (encouraging church members to make planned gifts)
- Creating endowments

### **What are the Foundation's qualifications for managing funds of United Methodist Churches and related organizations?**

The Foundation has been serving West Ohio congregations since 1978. We provide investment administration that allows investors to choose an allocation mix of equities for growth, for fixed income, or for a balanced growth fund; and that are aligned with the social principles of the UMC found in the Book of Discipline. We partner with highly respected investment advisors and highly vetted fund managers to offer investors exceptional investment opportunities. Our Investment Committee meets on a regular basis with our investment advisors to review reports and adjust as needed.



## United Methodist Foundation of West Ohio

### **How are the funds invested and who manages them?**

The Foundation currently partners with Wespath Institutional Investments. All investment decisions are based on our Investment Policy Statement which aligns with the Social Principles of the UMC. Performance and economic context for assets under management are reviewed quarterly by our Investment Committee. The Committee meets with representatives of our investment firms and presses them on investment outlook, risk in our invested portfolios, and their returns relative to stated benchmarks. The discipline of the quarterly IC meetings ensures the managers are overseen closely and that any deviation from expected returns is understood.

### **What are your recommendations for choosing an investment strategy for our church?**

The majority of our investment accounts are endowment funds that share the stated goal of long-term growth as well as current income. Accordingly, we recommend a significant portion of fund assets to be invested in equities and a lesser portion in fixed income assets. Historically, the balanced strategy has been allocated 55%-60% to equities and 40%-45% to fixed income. Please contact us for more information.

### **How often can an Endowment Organization or Donor change the asset allocation?**

You may change the asset allocation of your account at any time with a written request along with two signatures from the Management Agreement Signature page.

### **Does the Foundation offer online account statements?**

Yes, on-line access is available through our sub-accounting platform, iPhi.

### **How often are statements issued?**

Statements are available on the iPhi portal quarterly. Account holders may receive printed reports on request.

### **Who should I contact with my questions concerning establishing an endowment?**

Please contact UMFWO Executive Director Susan Black at 380-223-9257. Please request our Church Endowment Packet for detailed information about our Endowment Program. More information can be found at our website, as well, [www.umfwestohio.org](http://www.umfwestohio.org).



# United Methodist Foundation of West Ohio

## INFORMATION STATEMENT

January 1, 2021

### ENDOWMENT FUND PROGRAM OF THE UNITED METHODIST FOUNDATION OF WEST OHIO WEST OHIO CONFERENCE OF THE UNITED METHODIST CHURCH

#### Introduction

This Information Statement (this "Statement") provides information concerning the Endowment Program (the "Endowment Program") of the West Ohio Conference of the United Methodist Church (the "Conference"), as operated by the United Methodist Foundation of West Ohio. Please read the following carefully and retain it for your future reference. For more information about the Endowment Program, please contact the Foundation office at the address and telephone number listed on the cover sheet that accompanies this Statement.

#### Background

The Conference is a charitable not-for-profit corporation organized under the laws of Ohio and exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Conference was established in 1969 by merger. Since 1978, it has been accepting charitable gifts of various kinds. Its programs include outright gifts, charitable gift annuities, other deferred giving vehicles, and bequests/trust distributions. In 2020, the United Methodist Foundation of West Ohio was established as a separate corporation of which the Conference is sole member, to replace the Council on Development which had fulfilled its initial purposes.

The Conference is governed under the direction of its Board of Trustees, comprised of twelve persons who are elected for staggered four-year terms. The Foundation is governed by a Board of Trustees comprised of 15 persons who are elected for staggered four-year terms. The staff of the Foundation carries out day-to-day management and operational responsibilities for charitable giving programs that primarily benefit the Conference as well as other United Methodist programs, missions, ministries and organizations. The staff of the Foundation operates under the supervision of the Foundation Board. The Bishop of the Conference and the Chief Financial Officer of the Conference serve as ex-officio members of the Foundation Board.



## United Methodist Foundation of West Ohio

### Endowment Program

The Endowment Program was initiated in 2007 by action of the Council on Development and the Annual Conference. The initial deposit of \$111,000.00 to the Endowment Program came from four individuals and represented gifts made from 1987 to 2004, which are to be held in perpetuity for the benefit of various local churches within the Conference.

Pursuant to the Philanthropy Protection Act of 1995, the Foundation is not required to register under the Investment Company Act of 1940, as amended; and, as a charitable organization that maintains charitable funds, is exempt from registration under Federal and state securities laws. Accordingly, neither the funds nor the interests therein are registered under the Securities Act of 1933, as amended, or any state securities laws, and neither the Securities and Exchange Commission nor any state securities commission has reviewed or approved the funds or interests therein.

### Purpose of the Endowment Program

The purpose of the Endowment Program is to offer to Conference organizations and agencies, its Churches, and its members a vehicle for organizing, funding and managing endowment funds. These organizations can transfer an existing endowment fund to the Foundation, to be held and invested in the Organizational Endowment Funds described below.

Organizational Endowment Funds hold assets for Conference organizations, agencies, and churches and generally distribute the investment income to these entities on a quarterly basis. An organizational endowment fund has the potential to increase investment yield since it is pooled with other funds at the Foundation, resulting in lower fees and access to lower underlying investment costs than would be otherwise accessible. Organizational Endowment Funds are tailored to meet a particular investment goal, and maintain a strategic allocation among a variety of assets types and markets. (Please see the Foundation Investment Policy Statement for additional details.)

Individual donors who wish to establish Endowment Funds with the Foundation may do so, as well. Donors make an initial contribution toward the endowment and may take up to 5 years to fully fund the endowment. Individual endowments require specific distribution instructions that align with the Foundation's policies. Individual endowments are intended to meet the philanthropic intent of the donor as documented in the donor agreement. Endowments may not be made to benefit individuals.

The Foundation acts as investment agent and custodian for various funds that have been donated to or accumulated by the Foundation and other Conference organizations, agencies, or churches. The investing organizations or charitable beneficiaries must be charitable not-for-profit organizations exempt from federal income tax under Section 501(c)(3) or other applicable sections of the Internal Revenue Code of 1986, as amended. The Foundation's duties include physical safekeeping, investment and distribution of the Funds' assets in accordance with the directions of these entities, or in the case of individual endowments, with the donors' original charitable intent.



## United Methodist Foundation of West Ohio

### Establishing an Organizational Endowment Fund

To establish an Organizational Endowment Fund with the Foundation, a participating organization must complete and sign an Endowment Investment Management Agreement (the "Endowment Agreement") in the form attached within this packet. Under the terms of the Endowment Agreement, the participating organization delivers cash or acceptable property to the Foundation to be held in a named fund. The fund is invested and maintained as a sub account fund of the Endowment Program, and the Foundation is authorized to sell, transfer, exchange, invest or reinvest all or any part of the sub account fund pursuant to investment guidelines established by the Foundation's Investment Committee.

Under the terms of the Endowment Agreement, the participating organization is also obligated to pay a percentage (per year) of the fund's net invested market value to cover the Foundation's share of the administrative expenses. For further details on the expenses and fees, refer to the section below entitled "Fees". The Foundation will provide each participating organization with quarterly reports showing all activity in the participating organization's account, including contributions, withdrawals, market value, appreciation and administrative fees. Administrative fee disbursements will be made on a monthly basis or as otherwise communicated. The Endowment Agreement may be terminated by either party by providing thirty days written notice.

### Establishing an Individual Endowment Fund

To establish an Individual Endowment Fund with the Foundation, a participating donor ("Donor") must complete and sign an Endowment Investment Management Agreement (the "Endowment Agreement") in the form attached within this packet. Under the terms of the Endowment Agreement, the donor delivers cash or acceptable property to the Foundation to be held in a named fund. The fund is invested and maintained as a sub account fund of the Endowment Program, and the Foundation is authorized to sell, transfer, exchange, invest or reinvest all or any part of the sub account fund pursuant to investment guidelines established by the Foundation's Investment Committee.

Under the terms of the Endowment Agreement, the donor is also obligated to pay a percentage (per year) of the fund's net invested market value to cover the Foundation's share of the administrative expenses. For further details on the expenses and fees, refer to the section below entitled "Fees". The Foundation will provide the donor with quarterly reports showing all activity in the participating donor's account, including contributions, withdrawals, market value, appreciation, and administrative fees. Administrative fee disbursements will be made on a monthly basis or as otherwise communicated.

### Investment Management

The Foundation will provide overall management of the Endowment Program. The Foundation has established an Investment Committee to provide oversight of its endowment investment program. The Investment Committee maintains an Investment Policy Statement (IPS), as from time to time amended, that sets forth the duties of the Investment Committee and other parties. (See Investment Policy in this packet). The Investment Committee reports regularly to the Foundation Board and to the Conference Board of Trustees



## United Methodist Foundation *of West Ohio*

The Foundation employs a professional and administrative staff to implement and oversee daily operations. Currently the staff includes an Executive Director, a Program Manager and an Administrative Associate, and utilizes the services of the Conference Chief Financial Officer and Staff Accountant. The staff works closely with the Foundation and the Investment Committee. Please contact the Foundation office for a current listing of the membership of the Foundation Board of Trustees, the Investment Committee and staff.

### **Custodian/Investment Manager**

The Investment Committee retains and evaluates one or more investment managers, as appropriate, to meet the goals and objectives of the Foundation. The investment agreements between the Foundation and the Investment Managers have the usual and customary termination clauses, and clearly establish what the managers are being retained to deliver and the attendant duties and responsibilities.

Usual and customary services provided by investment managers include investment performance reporting, portfolios risk analysis, investment accounting, custodial services, sub-account administration and reporting, income collection, disbursement administration, proxy voting and any other services set forth in the Foundation's agreement with the investment manager.

Currently the investment manager include Wespath Institutional Investment, which serves as a custodian of the funds held by the Foundation.

Under the terms of its agreement with the Foundation, WII serves as custodian of the assets of the Funds. The assets are deposited with WII and, in accordance with the instructions of the Committee, the WII acquires and disposes of investments and collects the income therefrom. The agreement may be terminated by either party with thirty days written notice, and the Foundation may appoint a new agent to serve as custodian and investment manager.

### **Investments**

Organizations may elect to invest Endowment Program assets in one of three types of funds:

- The Fixed Income Fund
- The Balanced Fund
- The Balanced Growth Fund

Investment objectives and guidelines for each strategy are set forth in the Investment Policy Statement included in this packet.



## United Methodist Foundation of West Ohio

### Minimum Transfer to Endowment Program

The minimum initial gift or transfer to the Endowment Program is ten thousand dollars (\$10,000.00). No commissions will be payable in connection with such transfer and no commission-based payments will be made to any member or employee of the Foundation.

### Fees

Fees will be charged according to the then current fee schedule published and maintained by the Foundation. See Exhibit I for current schedule.

### Risk

The risk inherent in investing in funds is the risk common to any security: the net asset value of endowment funds will fluctuate in response to changes in economic conditions, interest rates and the perceptions of the national securities markets of the underlying securities held by the funds. There can be no assurance that the Endowment Program will achieve its investment objectives since there is uncertainty in every investment. The Endowment Program will invest in securities that will increase and decrease in value.

Although the Endowment Program seeks to reduce risk by investing in diversified portfolios of various types of investments, such diversification does not eliminate all risks. There is no assurance that such diversification will reduce the variability of the return or preserve the assets from loss.

THE ENDOWMENT PROGRAM IS NOT GUARANTEED BY THE FOUNDATION, THE CONFERENCE OR ANY ORGANIZATION ASSOCIATED WITH IT, OR BY ANY GOVERNMENTAL AGENCY OR ORGANIZATION.

### General Disclaimer

*The information supplied to individuals and organizations by the Foundation is intended for general informational, educational and illustrative purposes only. The Foundation does not provide legal, estate planning, accounting or tax advice. All individuals and organizations should consult with their own appropriate professional advisors regarding relevant legal, estate planning, accounting and tax matters.*

*The information in this Statement is current as of the date shown on page two. The Statement is updated at least annually. The information and policies described herein are subject to change from time to time at the discretion of the Foundation.*



**EXHIBIT II**  
**ANNUAL FEE SCHEDULE**  
**UNITED METHODIST FOUNDATION**  
**UNITED METHODIST ENDOWMENT PROGRAM**

<u>Fund Name</u>	<u>Wespath Advisor</u>	<u>United Methodist</u>	<u>Total</u>	<u>Fees</u>
	<u>Fee</u>	<u>Foundation Fee</u>		
<u>Fixed Income Fund</u>	<u>53 basis points</u>	<u>50 basis points</u>	<u>103</u>	<u>basis points</u>
<u>Balanced Fund</u>	<u>58 basis points</u>	<u>50 basis points</u>	<u>108</u>	<u>basis points</u>
<u>Growth Fund</u>	<u>59 basis points</u>	<u>50 basis points</u>	<u>109</u>	<u>basis points</u>

Each Fund may also incur additional reasonable and customary expenses payable to the Advisor or other parties, including tax report preparation fees, security transaction costs (transfer fees and broker commissions), and fees paid by mutual funds including, sub-investment advisors in which the Fund is invested. Total cost of investing varies based on the investment mix.

*Note 1: One basis point is equal to 1/100<sup>th</sup> of one percent or .01 percent.*

*Note 2: This fee schedule is subject to change from time to time at the discretion of the Investment Committee. Last update: December 2025.*

**United Methodist Foundation of West Ohio  
Investment Policy Statement**

**Adopted by the UMFWO Board & Investment Committee April 27, 2021  
As Amended August 1, 2023**

**Executive Summary, History and Context**

The United Methodist Foundation of West Ohio, Inc. was incorporated in 2020 with the express purpose, among others, of providing investment alternatives to West Ohio Conference boards, agencies, local churches, and individual donors wishing to advance the work of The United Methodist Church in the West Ohio Area. The UMFWO succeeds the Council on Development, which served similar purposes since 1976.

The UMFWO assumes investment management administration with eligible entities subject to an Endowment Agreement that specifies the investment strategy in which its assets will be invested. Participating entities agree to an investment administration fee expressed as a percent of assets, and which may be changed, waived, or adjusted from time to time.

This Investment Policy Statement (IPS) originated on February 1, 2012, as the Conference Investment Policy Statement. Subject to periodic reviews, it was amended four times prior to it becoming the first IPS for the UMFWO. This history and continuity are important because many endowments have been invested under these guidelines since 2012 and historical performance is, in part, a reflection of the then current IPS. Prior IPS are available for reference purposes upon request.

Members of the Investment Committee shall be nominated and elected by the board of the UMFWO. Investment Committee members need not be UMFWO board members. Care will be taken to ensure representation from boards of participating endowments, investment industry experts and that taken together there is a diversity of experience and perspective.

**Responsibilities of the UMFWO Investment Policy Committee**

The Investment Committee (IC) accepts the following specific responsibilities under this Investment Policy Statement:

1. Review and maintain the UMFWO IPS.
2. Meet at least four (4) times annually, in person and with video option.
3. Report not less than annually to the Conference Board of Trustees.
4. Observe and ensure adherence to socially responsible investing consistent with the United Methodist Church as expressed through the Book of Discipline and any restrictions adopted by the Annual Conference.
5. Monitor controls and procedures affecting Conference investments such as capital markets assumptions, strategic asset allocation and portfolio rebalancing.
6. Review and assess investment performance results relative to stated benchmarks and time periods for each investment manager.

Participating endowments retain responsibility for various administrative functions related to investable assets associated with their respective boards or organizations. The functions include,

but are not limited to: setting spending policies, receiving report and investment statements, and sourcing candidates for IC membership as requested. These Boards may establish or utilize existing committees to guide these activities or serve as a committee of the whole.

## **Guidelines for all Conference Investable Assets**

### **Other Parties**

From time to time the Investment Committee may retain outside parties to assist with investing or providing other services for Conference investments, including, but not limited to banks, brokers, investment managers, investment advisors, auditors, actuaries, and attorneys.

### **Responsibilities of Retained Advisors and/or Investment Manager(s)**

Subject to the terms of executed contracts and agreements, Investment Managers/Advisors shall, among other duties:

1. Adhere to the UMFWO Investment Policy Statement.
2. Provide monthly consolidated statements to the Conference Chief Financial Officer (CFO).
3. Provide monthly sub-account reporting, where applicable, to the CFO or his or her designee.
4. Meet quarterly with the Investment Committee to review economic conditions, investment performance, and recommend asset allocation adjustments.
5. Adhere to their defined investment process.
6. Promptly communicate to the West Ohio Conference CFO changes to their investment process or personnel.
7. Provide custodial services.
8. Vote proxies.
9. Provide administration support and reporting that enables the Boards and Councils to fulfill their respective responsibilities.

### **Responsibilities of UMFWO and Conference Staff**

Conference staff, including UMFWO staff, under the primary direction of the CFO fulfills day-to-day management and operational responsibilities for Conference investment programs and are accountable to established Boards and Councils.

### **General Investment Guidelines and Constraints:**

- **Rebalancing:**

The Investment Committee shall review not less than annually asset allocation guidelines for each investment strategy. Investment Manager will review each strategy on a quarterly basis, and each strategy will be rebalanced when an allocation falls 5% or more outside of the target.

- **Diversification:**

A primary method of risk management shall be to ensure each account holds a diverse set of securities, asset classes and sub-asset classes limited by the guidelines of each investment strategy.

The Investment Committee also considers and seeks to effectively manage and control the following forms of risk:

- Asset Protection Risk is the risk of loss due to fraud, embezzlement, or financial system failure, which is mitigated through strong internal controls and the use of licensed trust companies to custody investment assets.
- Purchasing Power Risk is the risk of loss when the rate of return on investments does not keep up with the rate of inflation. For mitigation, the Investment Committee will understand and implement investment strategies that increase the probability of producing positive real rates of return over the accepted time horizon.
- Liquidity Risk is the risk of loss arising from situations that include insufficient cash and/or cash equivalents to meet the needs of the Foundation and its investors and where the sale, if possible, of illiquid assets will yield less than their fair value. To mitigate this risk, the Investment Committee will use proper cash management planning and employ asset allocation strategies constructed with highly liquid capital market securities.

  

- **Prohibited Investments:**

The Annual Conference may from time-to-time pass recommendations that limit companies that the Conference may invest in. The results of such recommendations shall be incorporated automatically into this IPS in an appendix.

- **Socially Responsible Investment Restrictions**

¶717 of the 2016 Book of Discipline reads:

*Sustainable and Socially Responsible Investments—In the investment of money, it shall be the policy of The United Methodist Church that all general boards and agencies, including the General Board of Pension and Health Benefits, and all administrative agencies and institutions, including hospitals, homes, educational institutions, annual conferences, foundations, and local churches, make a conscious effort to invest in institutions, companies, corporations, or funds with policies and practices that are socially responsible, consistent with the goals outlined in the Social Principles. All United Methodist institutions shall endeavor to seek investments in institutions, companies, corporations, or funds that promote racial and gender justice, protect human rights, prevent the use of sweatshop or forced labor, avoid human suffering, and preserve the natural world, including mitigating the effects of climate change. In addition, United Methodist institutions shall endeavor to*

*avoid investments in companies engaged in core business activities that are not aligned with the Social Principles through their direct or indirect involvement with the production of anti-personnel weapons and armaments (both nuclear and conventional weapons), alcoholic beverages or tobacco; or that are involved in privately operated correctional facilities, gambling, pornography or other forms of exploitative adult entertainment. The boards and agencies are to give careful consideration to environmental, social, and governance factors when making investment decisions and actively exercise their responsibility as owners of the companies in which they invest. This includes engaging with companies to create positive change and hold them accountable for their actions, while also considering exclusion if companies fail to act responsibly.*

In addition to limits set in the Book of Discipline, the UMFWO will make every effort to avoid investments in corporate entities that generate more than 10% of their gross revenues from alcohol, tobacco, gambling, pornography, the production and distribution of military armaments or privately-operated correctional facilities. An exception to the 10% threshold will apply to restaurants and other food retailers that sell or serve alcoholic beverages. For such businesses, a 25% revenue threshold will apply. Further, mutual funds that list as a top ten holding any firm that meets the above criteria are also prohibited. To the extent that investments that were once eligible become ineligible, every effort shall be made to divest of them in a prudent manner. Investment managers shall review not less than semi-annually the equity investments held by mutual funds and make changes as appropriate. Emerging markets commingled equity pools are exempt from the above restrictions if specifically authorized and the aggregate exposure of companies otherwise prohibited does not exceed 10% of the value of the fund.

UMFWO and the entities to which it delegates investment authority shall strive to adhere to the Wespath Benefits and Investments (WBI) Sustainable Investment Strategies guidelines that are published in WBI's Statement of Administrative Investment Policy under "Ethical Exclusions" which can be found here

[https://www.wespath.org/assets/1/7/investment\\_policy.pdf](https://www.wespath.org/assets/1/7/investment_policy.pdf) when carrying out responsibilities under this policy.

When mutual funds, commingled funds, and exchange traded funds in general are used as an investment vehicle, then it is understood the IC has adopted the investment policies of those funds.

Adopted:



United Methodist Foundation of West Ohio Chair

8/2/2023

Date

  
UMFWO Investment Committee Chair

8/1/2023

Date

## **EXHIBIT A**

### **FIXED INCOME STRATEGY**

*Investment Objectives, Guidelines and Policies*

#### **1. Investment Objective**

The overall investment objective is the prudent management of funds in such a way that will provide for preservation of capital and purchasing power of the assets with an emphasis on providing income with some degree of interest rate risk.

#### **2. Investment Approval Policy**

Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have full investment discretion with regard to market timing and security selection.

#### **3. Asset Allocation Range**

The Investment Manager will use the following as guidelines:

<b>Asset Class:</b>	<b>Target</b>	<b>Target Allocation Range</b>
Total Fixed Income (Bonds):	100%	90%-100%
Fixed Income	80%	85%-75%
Inflation Protection	20%	15%-25%
Money Market (Cash):	0%	0%-10%

#### **4. Fixed Income Guidelines**

##### Objective

Achieve returns which meet or exceed those of the U.S. Universal ex MBS Bond Index for fixed income and Bloomberg U.S. Treasury Inflation-Linked Bond and Bloomberg Commodities index for inflation protection.

##### Portfolio Application

The average maturity of the bond portfolio (using average life for mortgage-backed securities) should be no longer than ten (10) years.

#### **5. Liquidity Guidelines**

##### Objective

- A. Cash equivalents should be actively managed but with due regard for prudence.
- B. The following are permissible cash equivalent investments:
  - i. U.S. Treasury Issues
  - ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
  - iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured.
  - iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
  - v. Eurodollar time deposits of banks rated at least "A" or better, held in an inter-bank fund located within the territorial U.S.
  - vi. Federal agency issues
  - vii. Bank-managed short-term money market funds.
  - viii. Floating rate bank securities.

#### **6. Prohibited Investments**

The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:

- A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
- B. Venture Capital
- C. Guaranteed Insurance Contracts
- D. Commodities
- E. Precious Metals or Gems
- F. Real Estate

Commingled investment pools are exempt from the above restrictions. Investments in commingled funds necessarily adopt the policies of that investment pool.

**7. Performance Benchmark**

Performance relative to the 80% Bloomberg U.S. Universal ex MBS Bond Index for fixed income and 20% Bloomberg U.S. Treasury Inflation-Linked Bond and Bloomberg Commodities index for inflation protection.

## **EXHIBIT B**

### **BALANCED STRATEGY** **Investment Objectives, Guidelines and Policies**

#### **1. Investment Objective**

The overall investment objective is the prudent management of funds in such a way that will provide for preservation of capital and purchasing power of the assets with an emphasis on providing a balance between long-term growth and current income without undue exposure to risk.

#### **2. Investment Approval Policy**

Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have full investment discretion with regard to market timing and security selection.

All investments shall be made keeping in mind the Social Principles of the United Methodist Church (Book of Discipline) and the general guidelines and principles established by the General Council on Finance and Administration. No investments shall be made in securities in which a corporate entity has significant interest in alcoholic beverages, tobacco, gambling, pornography, and the manufacture of weapons.

#### **3. Asset Allocation Range**

The Investment Manager will use the following as guidelines:

<b>Asset Class:</b>	<b>Target</b>	<b>Target Allocation Range</b>
Total Equities (Stocks):	55%	50%-60%
U.S. Equities	40%	35%-45%
International (Stocks)	15%	10%-20%
Total Fixed Income (Bonds):	45%	40%-50%
Fixed Income	39%	34%-44%
Inflation Protection	6%	0%-10%
Money Market (Cash):	0%	0%-10%

#### **4. Equity Guidelines**

##### Objective

Achieve returns that meet or exceed those of the overall market as measured by the Russell 3000 Index for U.S. equities and MSCI ACWI ex U.S. IMI Index for international equities.

##### Portfolio Application

Any one equity holding will not exceed 5% (five percent) of the total portfolio. To the extent that the market value of existing holdings in companies or industries exceeds the above guidelines, the Investment Manager will review the appropriateness of reductions with the Conference Investment Policy Committee.

#### **5. Fixed Income Guidelines**

##### Objective

Achieve returns, which meet or exceed those of the Barclay's U.S. Universal ex MBS Bond Index for fixed income and Bloomberg U.S. Treasury Inflation-Linked Bond and Bloomberg Commodities index for inflation protection.

##### Portfolio Application:

- A. The market value of the aggregate holdings of an individual corporate debtor should not exceed 10% of all debt related assets.
- B. The average maturity of the bond portfolio (use average life for mortgage-backed securities) should be no longer than 10 years.
- C. Corporate bonds should be rated investment grade or better by Standard & Poor's or Moody's

D. Bond investments permit daily valued, diversified mutual funds where the investment universe includes below investment grade bonds, including but not limited to floating rate bank loans and high yield bond funds. The non-investment grade exposure must not exceed 10 percent of the portfolio, with the overall credit quality of the fund remaining investment grade. Individually held corporate bonds must be investment grade.

E. Floating rate bank securities

## **6. Liquidity Guidelines**

### Objective:

A. Cash equivalents should be actively managed but with due regard for prudence.

B. The following are permissible cash equivalent investments:

- i. U.S. Treasury Issues
- ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
- iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured.
- iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
- v. Eurodollar time deposits of banks rated at least "A" or better held in an inter-bank fund located within the territorial U.S.
- vi. Federal agency issues
- vii. Bank managed short-term money market funds
- viii. Floating rate bank securities

## **7. Prohibited Investments**

The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:

- A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
- B. Venture Capital
- C. Guaranteed Insurance Contracts
- D. Commodities not held in a fund structure
- E. Precious Metals or Gems

Commingled investment pools are exempt from the above restrictions. Investments in commingled funds necessarily adopt the policies of that investment pool.

## **2. Performance Benchmark**

Performance relative to a 40%/15%/39%/6% blend of the Russell 3000 I, MSCI ACWI ex U.S. IMI, Bloomberg U.S. Universal ex MBS Bond and Bloomberg U.S. Treasury Inflation-Linked Bond and Bloomberg Commodities Index, respectively, shall be used to evaluate investment manager performance.

## EXHIBIT C

### **BALANCED GROWTH STRATEGY** *Investment Objectives, Guidelines and Policies*

#### **1. Investment Objective**

The overall investment objective is to provide long-term growth with income and without undue exposure to risk.

#### **2. Investment Approval Policy**

Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have full investment discretion with regard to market timing and security selection.

All investments shall be made keeping in mind the Social Principles of The United Methodist Church (Book of Discipline) and the general guidelines and principles established by the General Council on Finance and Administration. No investments shall be made in securities in which a corporate entity has significant interest in alcoholic beverages, tobacco, gambling, pornography, and the manufacture of weapons.

#### **3. Asset Allocation Range**

The Investment Manager will use the following as guidelines:

<u>Asset Class:</u>	<u>Target</u>	<u>Target Allocation Range</u>
Total Equities (Stocks):	75%	60%-75%
U.S. Equities	55%	50%-60%
International (Stocks)	20%	15%-25%
Total Fixed Income (Bonds):	25%	20%-30%
Fixed Income	15%	15%-20%
Inflation Protection	10%	5%-15%
Money Market (Cash):	0%	0%-10%

#### **4. Equity Guidelines**

##### Objective

Achieve returns that meet or exceed those of the overall market as measured by the Russell 3000 Index for U.S. equities and MSCI ACWI ex U.S. IMI Index for international equities.

##### Portfolio Application

Any one equity holding will not exceed 5% (five percent) of the total portfolio. To the extent that the market value of existing holdings in companies or industries exceeds the above guidelines, the Investment Manager will review the appropriateness of reductions with the Conference Investment Policy Committee.

#### **5. Fixed Income Guidelines**

##### Objective

Achieve returns, which meet or exceed those of the U.S. Universal ex MBS Bond Index for fixed income and Bloomberg U.S. Treasury Inflation-Linked Bond and Bloomberg Commodities index for inflation protection.

##### Portfolio Application:

- A. The market value of the aggregate holdings of an individual corporate debtor should not exceed 10% of all debt related assets.
- B. The average maturity of the bond portfolio (use average life for mortgage-backed securities) should be no longer than 10 years.
- C. Corporate bonds should be rated investment grade or better by Standard & Poor's or Moody's

#### **6. Liquidity Guidelines**

##### Objective:

- A. Cash equivalents should be actively managed but with due regard for prudence

B. The following are permissible cash equivalent investments:

- i. U.S. Treasury Issues
- ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
- iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured
- iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
- v. Eurodollar time deposits of banks rated at least "A" or better held in an inter-bank fund located within the territorial U.S.
- vi. Federal agency issues
- vii. Bank-managed short-term money market funds.
- viii. Floating rate bank securities

**7. Prohibited Investments**

The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:

- A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
- B. Venture Capital
- C. Guaranteed Insurance Contracts
- D. Commodities not held in a fund structure
- E. Precious Metals or Gems

Commingled investment pools are exempt from the above restrictions. Investments in commingled funds necessarily adopt the policies of that investment pool.

**8. Performance Benchmark**

Performance relative to a 55%/20%/15%/10% blend of the Russell 3000, MSCI ACWI ex U.S. IMI, Bloomberg U.S. Universal ex MBS Bond and Bloomberg U.S. Treasury Inflation-Linked Bond and Bloomberg Commodities Index, respectively, shall be used to evaluate investment manager performance.



## Part II: Preparatory Forms

Directions: If your church does not already have an endowment program, the Book of Discipline requires you to develop one by first creating a Charge Conference resolution for approval, then by creating a Permanent Endowment Committee to oversee the endowment. The same group of people that creates the resolution can become the committee. In the following pages you'll find a recommended resolution template and a gift acceptance policy template. Your church does not need to share this information with the Foundation, but you are welcome to do so and we will keep your resolution and policy on file for future reference. Note: If your church already has an endowment program, please make sure your church has a gift acceptance policy.



**CHARGE CONFERENCE RESOLUTION**

***ESTABLISHING A PERMANENT ENDOWMENT FUND COMMITTEE AND A  
PERMANENT ENDOWMENT FUND***

\_\_\_\_\_  
UNITED METHODIST CHURCH OF

(City, State)

**CHARGE CONFERENCE RESOLUTION**

**PERMANENT ENDOWMENT FUND COMMITTEE AND PERMANENT ENDOWMENT  
FUND**

**DESIGNATION OF FUND**

This Fund shall be known as the \_\_\_\_\_, [Permanent Endowment Fund, hereafter referred to in this document as "the Fund."]

The Fund and its administration will conform to all applicable **Ohio State** laws and regulations, any applicable Federal laws and regulations including the provisions of the Internal Revenue Code, and ***The Book of Discipline of The United Methodist Church (2016)***, particularly pertaining to Paragraph 2533.

**PURPOSE OF FUND**

The Fund is established and shall be operated exclusively for religious purposes.

The Fund is established to provide members and friends the opportunity to make charitable gifts to \_\_\_\_\_ (hereafter referred to as "the Church") that will become a permanent endowment for financial support and a living memorial.

The Fund is intended to support Church purposes not funded through the annual operating budget; however, the Fund may be used to supplement programs and ministries as appropriate. Gifts to the Fund may be designated to the following purposes through the corresponding funds of the Permanent Endowment Fund:

**Undesignated:**

- General Endowment Fund (For special needs and ministries identified by The Church Council)

**Designated:**

- *(List funds here. See fund examples that follow this section.)*

-

**Any other Fund** that shall be designated from time to time by the Permanent Endowment Fund Committee and approved by the Board of Trustees.



# United Methodist Foundation of West Ohio

*(Optional: The Committee shall appoint a Fund Administrator. The Fund Administrator shall have the responsibility of handling the day-to-day activities associated with the Funds, i.e. correspondence, acknowledgments, receipts, deposits, disbursements, etc.)*

## **ADMINISTRATION OF THE FUND**

No part of the Fund (neither principal nor income) shall be used to the benefit of any member of the Permanent Endowment Fund Committee. Notwithstanding any other provision hereof, the Fund shall be used to conduct or carry on only those activities permitted to be conducted or carried on by an organization which is tax exempt as an organization described in Section 501(c)(3) of the Internal Revenue Code or by an organization, charitable contributions or gifts to which are deductible pursuant to the provisions of the Internal Revenue Code and regulations thereunder as they now exist or may hereafter be amended.

The Fund shall be administered by the \_\_\_\_\_ Permanent Endowment Fund Committee, hereafter referred to in this document as the Committee, under the authority granted to the Committee by the Charge Conference.

## **INVESTMENT OF PERMANENT ENDOWMENT FUNDS**

The Fund's investment objectives are:

1. Conservation of principal for the effective maintenance of purchasing power.
2. Regular income at a reasonable rate.
3. Investment of assets in institutions, companies, corporations, or funds approved by the Permanent Endowment Fund Committee that align with social principles of the UMC.

## **DISTRIBUTABLE INCOME**

Distributable income can be described as follows:

- A. The net income earned on the investment, exclusive of capital gains.
- B. An amount determined each year by applying a percentage against a rolling three- year average of the fair market value of the fund as determined on the first business day of each calendar year. The percentage applied against the fair market value shall be 50% of the applicable federal rate as defined in the Internal Revenue Code on January 1<sup>st</sup> of every year; however, the percentage shall never be lower than 3% or greater than 5%. In years in which there is excessive growth in the fund, the Committee reserves the right to make additional distributions of income and capital gain beyond the 5% ceiling by a 2/3 approval vote of its members.

## **GIFTS TO THE PERMANENT ENDOWMENT FUND**

A Gifts Acceptance Policy document is included as part of this Agreement. Gifts to the Fund that are classified as restricted will be assigned to the corresponding sub-fund.

A gift to the Fund that is not restricted to a specific sub fund will be placed in the General Endowment Fund.



## United Methodist Foundation of West Ohio

(Optional: Any gift in excess of \$(Amount to be determined) which is made to the Church, and which is not restricted by the donor as a permanent gift shall be assigned to the General Endowment Fund. For a gift to be "restricted for a specific sub-fund", a minimum gift in the amount of (Amount to be determined) shall be required.)

The Committee shall have sole authority to accept or reject any and all gifts to the Fund in keeping with the authority granted by the Charge Conference. All gifts made to the Fund shall be accepted subject to the terms and limitations set forth in this document.

### **CHANGES IN PRIMARY CUSTODIAN**

Any transfer of the Fund's assets from the Primary Custodian or Trustee to any other agency must be approved by a majority vote of the Administrative Council.

### **LIMITATIONS ON USE OF PRINCIPAL**

The objectives of the Fund are to conserve principal corpus and make use of only the income from the Fund unless the donor specifically designates the use of principal in the Gift Agreement. Any withdrawal of principal (as long as it does not violate the donor's intentions as described in the Gift Agreement) must be approved by a three fourths (3/4) vote of the members present and voting at duly called meetings of both the Committee and the Charge Conference of the

United Methodist Church.

### **THE PERMANENT ENDOWMENT FUND COMMITTEE**

The Committee shall be comprised of the following members:

- The Senior Pastor (ex-officio)
- Chair of the Finance Committee (ex-officio)
- Chair of the Trustees (ex-officio)
- Two At-Large members nominated by the Nominations Committee
- The Committee may request additional At-Large members as deemed appropriate.

1. All members of the Committee are voting members.
2. At-Large members of the Committee shall be nominated by the Nominations Committee, and they may continue to serve on a year-to-year basis at the discretion of the Nominations Committee. There is no specified limit on the number of years, consecutive or otherwise, which an At-Large member can serve.
3. Any interim vacancies may be filled by action of the Senior Pastor in consultation with the Administrative Council.
4. The Chairperson of the Committee shall be nominated by the Senior Pastor and confirmed by the Charge Conference from the At-large Members established above and elected by the Charge Conference.
5. The Committee shall elect a Secretary and such other officers and appoint such sub-committees as it deems necessary and shall define their duties.



## United Methodist Foundation of West Ohio

6. The Committee shall make a full report no less frequently than once a year to the Church Council.
7. The Committee, in cooperation with the Church Committee on Finance, shall ensure that the annual audit or review is performed.
8. The Committee shall act by a vote of the majority of the Committee members authorized herein to vote, excepting amendments to this agreement as described under the Section "Amendment of Agreement."
9. The term "majority" as used in this agreement is constituted by at least fifty percent plus one of the Committee members present and voting at a duly called meeting. Any instrument required to be executed by this agreement (except amendments to this agreement described under the Section "Amendment of Permanent Endowment Fund Agreement") shall be valid if executed in the name of the Fund by a majority of the Committee. All actions of the Committee shall be taken by resolution at a published meeting. The vote shall be recorded when the vote is not unanimous. A copy of any resolution or action taken by the Committee, certified by any one of the Committee members, may be relied upon by any person or entity dealing with this Permanent Endowment Fund Agreement.

### **POWERS OF THE PERMANENT ENDOWMENT FUND COMMITTEE**

In the administration of the Fund, the Committee shall have the necessary authority to carry out the purpose of the Fund. No power or authority shall be exercised by the committee in any manner or for any purposes whatsoever which may not be exercised by an organization which is tax exempt or by an organization donation to which are deductible from a donor's taxable income to the extent allowed by the provisions of the Internal Revenue Code and other applicable legislation and regulations as they now exist or may hereafter be amended. The acquisition, ownership, sale or transfer of any real or personal property must be consistent with **The Book of Discipline Of The United Methodist Church** as amended from time to time.

The Committee shall have the powers and duties authorized by **The Book Of Discipline Of The United Methodist Church** and granted by this session and future sessions of the Charge Conference. Investments will not be made in such manner as to incur any tax liability under the Internal Revenue Code; nor make any taxable expenditures as defined in the Internal Revenue Code or corresponding provisions of any subsequent Federal tax law.

The Committee shall determine all matters regarding management of the Fund, expenditures, and investment by a majority vote present at a duly called meeting (except amendments discussed under "Amendment of Agreement").



## United Methodist Foundation *of West Ohio*

### **BOND AND COMPENSATION**

No Committee member shall be required to furnish any bond or surety. Each Committee member shall serve without compensation for their services hereunder, but all expenses of these Funds or of any Committee member acting hereunder shall be paid by the Fund. Accounting, receipts, deposits, and disbursements for all Permanent Endowment Funds shall be handled by the bonded designee(s) of the Church as assigned.

### **ACCOUNTING BY PERMANENT ENDOWMENT FUND COMMITTEE**

The Committee shall render a statement of their transactions regarding the **(Church Name)** Permanent Endowment Fund. At no time shall the amount of individual gifts nor the identity of donors to the Fund be published unless written permission to do so is obtained. The Church, or any member, or any donor to the Funds may file an objection to the accounting in writing within sixty (60) days of the date of the accounting. In the absence of such objection, the Committee shall be released relieved, and discharged with respect to all matters and things set forth in such accounting as though such accounting had been settled by judicial decree of a court of competent jurisdiction.

### **LIABILITY OF THE PERMANENT ENDOWMENT FUND COMMITTEE**

No Permanent Endowment Fund Committee Member (hereafter referred to as "Member") shall be responsible for loss in investments made in good faith. No Member shall be liable for the acts or omissions of any other Member, or of any accountant, agent, legal counsel or custodian selected with reasonable care. Each Member shall be fully protected in acting upon any instrument, certificate, or paper believed by him to be genuine and to be signed or presented by the proper person or persons. No Member shall be under any duty to make any investigation or inquiry as to any statement obtained in such writing but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained. The Board of Trustees shall include the Committee as part of the Trustees indemnification insurance.

### **MERGER, CONSOLIDATION, OR DISSOLUTION OF \_\_\_\_\_ UNITED METHODIST CHURCH**

If at any time \_\_\_\_\_ United Methodist Church is lawfully merged or consolidated with any other United Methodist Church, all the provisions hereof in respect to the Fund shall be deemed to have been made on behalf of the merged or consolidated Church which shall be obligated to administer the same in all respects and in accordance with the terms thereto.



# United Methodist Foundation of West Ohio

If \_\_\_\_\_ United Methodist Church should ever be dissolved without any lawful successor thereto, the Fund, including both principal and interest to date, shall be entrusted to the United Methodist Foundation of West Ohio to direct the distribution of principal and accumulated income as it determines to the appropriate District of the United Methodist Church or its successors to use for the purposes for which the gift (or gifts) was intended. In the event of such dissolution as set forth above, and in the case that Foundation should not then be in existence, the Fund, both principal and interest, shall be paid over and entrusted to a bona fide local congregation of the United Methodist Church located within the same District of the United Methodist Church selected by the surviving members of the last duly qualified United Methodist Church Permanent Endowment Fund Committee which shall most closely resemble the purposes of the original United Methodist Church Permanent Endowment Fund. Such charity must be a charity duly qualified under Sections 170(c) and 501(c)(3) of the Internal Revenue Code.)

## **AMENDMENT OF PERMANENT ENDOWMENT FUND AGREEMENT**

This agreement may be amended or modified from time to time only after recommendation by a two-thirds (2/3) vote of the Committee members present and voting at a duly called meeting of the Committee, and by a two-thirds (2/3) vote of a duly announced Charge Conference of this United Methodist Church. No amendment or modification shall (1) alter the intention that the Fund be operated exclusively to provide financial support for programs and ministries in furtherance of the religious purposes of this United Methodist Church, and the United Methodist Church as a whole; (2) alter or eliminate the stated fund purposes found under purpose of the Fund herein, or (3) alter the intent of any donor to the Fund. Every amendment or modification of this agreement shall be in writing and signed by the Committee who voted to approve same and by the Recording Secretary of the Charge Conference, the District Superintendent, and the Senior Pastor.

## **SEVERABILITY**

If any provisions or application of any provisions of this Fund shall be held or deemed to be illegal, inoperative, or unenforceable, the same shall not affect any other provisions or any applications of any provisions herein contained or render the same invalid, inoperative, or unenforceable.

*Signature page follows.*



This Permanent Endowment Fund Agreement was adopted the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, in a  
duly authorized Charge Conference of \_\_\_\_\_ (Church Name)  
meeting in \_\_\_\_\_ (City, State) by a vote of \_\_\_\_\_ (Number of Votes  
For) for, \_\_\_\_\_ (Number of Votes Against) against, and \_\_\_\_\_ (Number of  
Votes Abstained) abstained.

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(Name of Recording Secretary), Recording Secretary

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(Name of District Superintendent), District Superintendent

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(Name of Senior Pastor), Senior Pastor



## Church Gift Acceptance Policy Template

### PURPOSE

The purpose of this Gift Acceptance Policy is to describe the type of gifts that can be accepted and the manner in which they can be accepted. Where a Permanent Endowment Committee (hereinafter referred to as The Committee) does not exist, the Board of Trustees (hereinafter referred to as The Trustees) is instructed by the Charge Conference to receive and distribute gifts received under the Gift Acceptance Policy of the Church.

### INTRODUCTION

In order to protect the interests of \_\_\_\_\_ (hereinafter referred to as The Church) and the persons and other entities who support its program, these policies are designed to ensure that all gifts to the Church, or for the use of the Church, are structured to provide maximum benefit to both parties.

This document focuses on both current and deferred gifts, with special emphasis on various types of deferred gifts and gifts of non-cash property. The goal is to encourage funding of the Permanent Endowment Fund (hereinafter referred to as The Fund) without encumbering the organization with gifts which may generate more cost than benefit, or which are restricted in a manner that is not in keeping with the mission and vision of the Church and the Committee.

To optimize funding from individuals and other entities, the Church must be able to respond quickly, and in the affirmative where possible, to all gifts offered by prospective donors. Except where stated otherwise, these policies are intended as guidelines only. Flexibility must be maintained since some gift situations can be complex and decisions only made after careful consideration of a number of interrelated factors. Therefore, these policies may in some instances require that the merits of a specific gift be considered by the Committee a final decision to be made only after a recommendation by the board..

The Committee reserves the right to decline or otherwise refuse any gift offered to the Church, with or without cause. Reasons for which a gift may be declined include, but are not limited to the following:

1. The Committee does not believe it is in the best interest of the Church or the Fund to abide by the restrictions placed on the gift by the donor.
2. The costs to maintain the gift or to meet the restrictions placed on the gift by the donor are considered to be excessive for the Fund.
3. The gift is determined to be inappropriate or unrelated to the tax-exempt purposes of the Church or the Fund.
- . The gift is designated to benefit or for the exclusive use of a specific individual.



# United Methodist Foundation of West Ohio

## GIFT ACCEPTANCE TERMS AND CONDITIONS

All gifts will be acknowledged by written confirmation of the gift and of any terms and conditions of the gift acceptance. All information concerning donors and prospective donors, including their names, names of beneficiaries, the amount and type of the gift, aspects relating to their estates, etc., shall be kept strictly confidential except when donors permit the release of such information.

## TYPES OF GIFTS

### I. OUTRIGHT GIFTS

#### A. CASH

1. Gifts in the form of cash and checks shall be accepted in any amount.
2. All checks must be payable to the Church and in no event shall they be made payable to an employee, agent, or volunteer for credit to the Church.

#### B. PUBLICLY TRADED SECURITIES

Securities that are traded on the public exchanges shall be accepted by the Church. The Permanent Endowment Fund Committee shall make the decision to keep or sell the security. (*Contact the United Methodist Foundation for assistance in receiving and liquidating publicly traded securities.*)

#### C. CLOSELY HELD SECURITIES

Non-publicly traded securities may be accepted upon approval by the Trustees. The Committee shall make the decision to keep or sell the security.

#### D. REAL PROPERTY

1. All gifts of real property must have the approval of the Trustees and a fair market value in excess of \_\_\_\_\_. (For example, \$10,000)
2. Prior to approval, the Committee shall make the final decision to accept gifts of real property.
3. Upon recommendation from the Committee, the Board of Trustees shall make the final decision to keep or sell the property.

### DI. TANGIBLE PERSONAL PROPERTY

1. All gifts of personal property must have approval by the Committee on a case-by-case basis. Gifts of personal property must be suitable for direct use by the Church or the Committee and have a market value greater than \$1,000 to be considered.
2. Prior to approval, the Committee shall make a recommendation for accepting the personal property and shall include a report on (but not limited to) the following:
  - a. current title and ownership
  - b. an independent qualified third-party appraisal
  - c. a recommendation on marketability

### DII. OTHER PROPERTY

1. The Committee shall make the decision to accept, keep or sell any other property that it may deem to be in the interest of the Church



## United Methodist Foundation *of West Ohio*

### II. PLANNED (DEFERRED) GIFTS

#### A. BEQUESTS

1. Gifts through wills (bequests) shall be actively encouraged by the Church.
2. Upon inquiry by a prospective donor, all representations as to the future acceptability of various properties to be left to the Church or the Committee in a will or other deferred gift shall be made in accordance with the terms and provisions of Paragraph I (A-F) of this document.
3. Gifts of property that are not acceptable from estates shall be rejected by the Committee and that decision shall be communicated to the legal representatives of the estate.

#### B. REVOCABLE LIVING TRUSTS AND CHARITABLE TRUSTS

1. The Committee will consult with the United Methodist Foundation of West Ohio regarding the need or use of a fiduciary.
2. The fees for management of a Charitable Remainder Trust will not normally be paid by the Church, however, upon approval by a majority of the Committee, these fees may be paid by the Church. The fees for management of a Revocable Living Trust will not be paid by the Church under any circumstances.
3. Revocable Living Trusts and Charitable Remainder Trusts and all other deferred gifts shall be encouraged as a method of making gifts to the Church while retaining income which may be needed by the donor for personal purposes. Such trusts shall not be marketed as tax avoidance devices or as investment vehicles and it is understood that no activity will be conducted that will violate Federal and/or State security regulations.
4. No representations as to the manner in which trust assets will be managed or invested shall be made by any employee or other persons acting on behalf of the Church or the Committee.

#### C. LIFE ESTATE GIFTS

1. The Committee may accept such gifts provided there is a full disclosure of the possible ramifications of the transaction to the donor.

#### D. LIFE INSURANCE POLICIES

1. The Church will encourage donors to name the Church as beneficiary of life insurance policies that they have purchased.
2. The Church will not accept gifts from donors for the purpose of purchasing life insurance on the donor's life. Exceptions to this policy may be made only when the Church has an insurable interest and is in compliance with all State and Federal statutes.
3. No insurance products will be endorsed for use in funding gifts to the Church.
4. In no event shall lists of the Church donors' names be furnished to anyone for the purpose of marketing life insurance for the benefit of donors and/or the Church.



## United Methodist Foundation *of West Ohio*

### E. GIFT ANNUITIES

1. Charitable Gift Annuities that benefit the church will be accepted. CGAs are available from the United Methodist Foundation of West Ohio.

### III. PAYMENT OF FEES RELATED TO GIFTS

#### A. FINDER'S FEES OR COMMISSIONS

1. No fees shall be paid to anyone as consideration for directing a gift to the Church

#### B. PROFESSIONAL FEES

1. In general, the donor shall pay any fees associated with the gift.
2. No fees shall be paid to anyone as compensation for any sale of any products to the donor.

### IV. RESTRICTIONS

- A. Any restriction on the use of any gift must be approved by the Committee prior to acceptance of the gift.
- B. A designated permanent sub fund, other than those identified, may be established with a minimum gift of \_\_\_\_\_ (*for example, \$50,000*) or such minimum to be determined appropriate and approved by the Committee.

### V. GIFT USE

- A. Unrestricted gifts of \$1,000 or more to the Church shall be held in the Permanent Endowment Fund for the Church Council to make suggestions on the use of the gift.
- B. The Church shall maintain a "wish" list of projects and items that can be supported or purchased with unrestricted gifts.
- C. The Church may direct that a percentage of all unrestricted gifts to the Church be placed in a Permanent Endowment Fund.



## Part III: Endowment Agreement Form

Directions: Please complete this form when you are ready to create your account with UMFWO and share this form with our staff. You may also complete the ACH form if electronic payment is preferred. We require a completed W-9 to remit payment. The stock form and the signature page update form are for your future use.



## ENDOWMENT INVESTMENT MANAGEMENT AGREEMENT

This Agreement made this \_\_\_\_\_ day of, \_\_\_\_\_, 20\_\_\_\_, by and between the United Methodist Foundation of West Ohio, 32 Wesley Boulevard, Worthington, Ohio 43085 (the "Foundation") and \_\_\_\_\_ (the "Organization").

In consideration of the mutual promises made herein contained, and for other valuable consideration, the parties agree as follows:

### Section 1. Establishment of an Endowment Fund

The Organization has delivered to the Foundation cash or acceptable property described in Exhibit I, which, together with all additions hereafter made any less withdrawals and expenses taken, shall be known as the \_\_\_\_\_ (the "Fund") to be invested and maintained as a subaccount of the Foundation's Endowment Program. The purpose of this Agreement is to provide investment management for the Fund. Any action by an appointed committee of the Foundation shall be fully authorized hereunder as action of the Foundation.

### Section 2. Investment Authority

The Foundation is hereby authorized to invest this subaccount with all other subaccount funds held by the Foundation in such manner as the Foundation shall deem appropriate. Specifically, the Foundation shall have the power, authority and discretion, within the investment guidelines established by the Foundation's officers or authorized professional investment advisors, to sell, transfer or exchange, all or any part of the Fund, at such prices and upon such terms and conditions and in such manner as the Foundation shall deem best, to invest and reinvest the account in such stocks, bonds, debentures, mutual funds, fixed income instruments, cash equivalents, or other securities as it may deem proper and suitable, without any liability for depreciation or diminution in value, and to have all incidental authority necessary to accomplish its investment function. Within its general authority, the Foundation shall direct the investments of the Fund as follows as to meet the Fund's desired investment goals:

- A. The Fixed Income Fund (debt securities and cash equivalents); or [see attached "Investment Objectives, Guidelines and Policies"].
- B. The Balanced Fund (debt securities, cash equivalents and equities); or [see attached "Investment Objectives, Guidelines and Policies"].
- C. The Growth Fund (equities, debt securities and cash equivalents); or [see attached "Investment Objectives, Guidelines and Policies"].

The Organization may change its allocation at the end of each quarter by giving thirty (30) days written notice to the Foundation.

The Organization acknowledges that the investment in the Fund (in any allocation) necessarily involves market and related risks and, that by reason thereof, both the income and the principal value of the fund may fluctuate with changes in market and economic conditions. The Foundation



## United Methodist Foundation of West Ohio

makes no assurance or guaranty that any particular investment result will be achieved. Further, past performance is no guarantee of future results.

### Section 3. Custodian/Professional Investment Advisor

Custody of the assets in the Account will be maintained with Wespath Institutional Investments or other institutional custodian selected by the Foundation which may also serve as the professional investment advisor for the Fund (the Advisor). The Organization authorizes the Foundation to select and monitor the performance of the Advisor, which shall invest the Fund in accordance with the applicable Investment Objectives, Guidelines and Policies. The Foundation shall have no liability with respect to the acts, omissions or conduct of the Advisor.

### Section 4. Accounting

The Foundation shall provide the Organization with calendar quarterly reports showing the fair market value of the Fund at the end of each reporting period together with current information regarding income received and current account transactions.

### Section 5. Expenses

The Organization shall pay fees as set forth on the Fee Schedule attached hereto as Exhibit II, as may be amended from time to time. Fees shall be based on the Fund's net invested market value, shall be calculated and paid on a monthly basis (or such other periodic basis as the Foundation shall determine), and shall be deducted from the Fund balance on the last day of the period over which the fee was incurred. Please refer to Exhibit II for the Fee Schedule.

### Section 6. Distributions and Withdrawals

Distributions shall be effected in accordance with the instructions set forth below:

#### Distributions Options:

	Quarterly
	Semi-Annually following 1 <sup>st</sup> 2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> Quarter (Circle Desired Quarters)
	Annually following 1 <sup>st</sup> 2 <sup>nd</sup> 3 <sup>rd</sup> 4 <sup>th</sup> Quarter (Circle Desired Quarter)
	On Request

Total distributions annually will equal:

	Earnings (i.e., dividends and interest)
	An amount determined each year by applying a percentage (typically 3% to 5%) of the three year average of the fair market value of the Fund as determined by the first business day of each calendar year. The percentage must be communicated to the Foundation by January 30 <sup>th</sup> for distributions throughout the year.
	The amount stated in each written request.



Special Instructions:

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The principal of the Fund may be withdrawn, in whole or in part, along with all accumulated earnings, by written notification to the Foundation with thirty (30) days notice prior to calendar quarter end by two authorized representatives of the organization.

Section 7. Authorized Representatives

The Organization has listed below, the names, positions and specimen signatures of all persons authorized to act for Organization. Changes of authorized personnel shall be made in writing to the Foundation and, until otherwise properly notified, the Foundation shall be entitled to act upon the directions of the Organization's listed personnel without further inquiry on liability.

Section 8. Proxies

Organization delegates to the Foundation authority for voting all proxies for securities held in the Fund. However, the Foundation will not be required to take any action or render any advice with respect voting securities in the Fund.

Section 9. Termination

Either party upon thirty (30) days written notice prior to calendar quarter end to the other, may terminate this Agreement.

Section 10. Conditions upon Organization's Failure to Exist

If, for any reason, Organization shall go out of existence, dissolve its ties with the United Methodist Church, or otherwise lose its status as a tax-exempt charitable, religious organization, and fail to withdraw their funds before such time, then at such time, the Fund shall become permanent property of the Foundation and thereafter may be distributed only with approval of the Foundation.

Section 11. Exculpation and Indemnification

Except for gross negligence or willful misconduct, neither the Foundation nor its members, officers, affiliates, employees or agents shall be liable hereunder or otherwise for any action performed or omitted to be performed or for any errors of judgment in managing the Fund. Organization shall indemnify Foundation (and its members, officers, affiliates, employees and agents) against any expense, loss, liability or damage arising out of any claim asserted, or threatened to be asserted by any third party, including attorney's fees as incurred, with respect to the matters as to which the Foundation is exculpated from liability as set forth.

Section 12. Agreement Subject to Applicable Laws

Nothing in this Agreement shall affect that status of the Foundation or the West Ohio Annual Conference of the United Methodist Church as an organization described in Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, and as an organization which is not a private



foundation within the meaning of Section 509 (a) of the Internal Revenue Code of 1986. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto. The Foundation is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Internal Revenue Code of 1986, as amended, shall be deemed references to the corresponding provisions of any future Internal Revenue Code.

**Section 13. Successors and Assigns**

This Agreement shall bind each party's respective successors and assigns and may be amended in writing only.

**Section 14. Deposits**

The Organization may deposit at a minimum of \$1,000 dollars cash or other property acceptable to the Foundation in the Fund at any time in keeping with the terms of the Information Statement. The initial amount needed to establish an Endowment is \$10,000. Deposits should be made payable to the United Methodist Foundation of West Ohio and include the account name.

**FOR FUND** \_\_\_\_\_  
**PRINTED NAME**

**POSITION**

**SPECIMEN SIGNATURE**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

Any two of the above representatives shall be authorized to act for the Organization under this Agreement:

This Agreement is signed effective on the date heretofore stated and Organization acknowledges receipt of the complete "Endowment Program Packet".

**FOR THE FOUNDATION**  
**UNITED METHODIST FOUNDATION OF WEST OHIO**

By: \_\_\_\_\_  
Chief Financial Officer

By: \_\_\_\_\_  
Executive Director



**EXHIBIT I**  
**DESCRIPTION OF PROPERTY**

The Fund initially will be funded with \$\_\_\_\_\_ to be placed in the \_\_\_\_\_ Fund option offered by the Foundation.



**EXHIBIT II**  
**ANNUAL FEE SCHEDULE**  
**UNITED METHODIST FOUNDATION**  
**UNITED METHODIST ENDOWMENT PROGRAM**

<u>Fund Name</u>	<u>Wespath Advisor</u>	<u>United Methodist</u>	<u>Total</u>	<u>Fees</u>
	<u>Fee</u>	<u>Foundation Fee</u>		
<u>Fixed Income Fund</u>	<u>53 basis points</u>	<u>50 basis points</u>	<u>103</u>	<u>basis points</u>
<u>Balanced Fund</u>	<u>58 basis points</u>	<u>50 basis points</u>	<u>108</u>	<u>basis points</u>
<u>Growth Fund</u>	<u>59 basis points</u>	<u>50 basis points</u>	<u>109</u>	<u>basis points</u>

Each Fund may also incur additional reasonable and customary expenses payable to the Advisor or other parties, including tax report preparation fees, security transaction costs (transfer fees and broker commissions), and fees paid by mutual funds including, sub-investment advisors in which the Fund is invested. Total cost of investing varies based on the investment mix.

*Note 1: One basis point is equal to 1/100<sup>th</sup> of one percent or .01 percent.*

*Note 2: This fee schedule is subject to change from time to time at the discretion of the Investment Committee. Last update: December 2025.*



## ACH CREDIT & DEBIT AUTHORIZATION

**Originating Company Name:** The United Methodist Foundation of West Ohio

I authorize the above-named Originating Company to initiate entries to the account indicated below as follows: They may initiate CREDIT which moves money into my account according to the schedule and other conditions to which the Originating Company and I have agreed. They may also initiate DEBIT which moves money out of my account according to the schedule and other conditions to which the Originating Company and I have agreed.

### BANK ACCOUNT

**Name (As it Appears on Bank Account):** \_\_\_\_\_

**Name of Depository Financial Institution:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Routing Number (Nine Digits):** \_\_\_\_\_

**Account Number:** \_\_\_\_\_

Checking Account  Savings Account

This authority is to remain in effect until the Originator has received written notification of its termination and has had a reasonable opportunity to act upon it.

\_\_\_\_\_  
Date:

*Printed Name of Authorized*

\_\_\_\_\_  
Date:

*Signature*

Contact Phone: \_\_\_\_\_ Contact Email: \_\_\_\_\_

**For Checking Accounts, Attach a Voided Check.**

**For Savings Accounts, Attach a Deposit Slip.**

**Return to:**

**[mdewitt@wocumc.org](mailto:mdewitt@wocumc.org)**

**or United Methodist Foundation of West Ohio**

**Attn: Maddy DeWitt**

**32 Wesley Blvd Worthington, OH 43085**

Request for Taxpayer  
Identification Number and Certification► Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.Give Form to the  
requester. Do not  
send to the IRS.Print or type.  
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.	
<input type="checkbox"/> Individual/sole proprietor or <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► <input type="checkbox"/> <b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ► <input type="checkbox"/>	
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):	
<input type="checkbox"/> Exempt payee code (if any) <input type="checkbox"/> <input type="checkbox"/> Exemption from FATCA reporting code (if any) <input type="checkbox"/> <small>(Applies to accounts maintained outside the U.S.)</small>	
5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number					
<input type="text"/>	<input type="text"/>	<input type="text"/> - <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
or					
Employer identification number					
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Part II Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification Instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ►
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Date ►

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not leave this line blank.** The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for ...	THEN the payment is exempt for ...
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

#### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

#### Line 6

Enter your city, state, and ZIP code.

### Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

### Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The actual owner <sup>1</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The owner <sup>3</sup>
	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

\*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

### Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

## Instruction Form—Delivery of Equity Securities to Wespath

### Part 1 – Identifying Information

Please complete this form when making a deposit via security transfer. This form will be used to indicate to which account(s) you would like your deposit applied.

Send completed form to the Wespath Team and the UMFWO Team via:

- Email to [investmentinfo@wespath.org](mailto:investmentinfo@wespath.org)
- Email to [agrooms@wocumc.org](mailto:agrooms@wocumc.org)

Organization name: United Methodist Foundation of West Ohio – UMFWO Stock Gift Account 06

Organization contact name: Andrea Grooms

Phone: 380-223-9523

Date

E-mail address: [agrooms@wocumc.org](mailto:agrooms@wocumc.org)

### Part 2 – Security Information

Security name

Number of shares

Symbol/Ticker/Cusip

### Part 3 – Security Delivering Institution Information

Security delivering institution name

Contact name

Phone

E-mail address

### Part 4 – Wespath Security Transfer Instructions

Please provide the information on this form at least three business days before the expected date of the transfer.

Please instruct your financial institution to transfer securities to:

DTC# 0443

Pershing, LLC

For credit to account #: N7M002242

Client account name: Wespath Funds Trust

Anticipated date of delivery

Intended Beneficiary

Donor Name

Donor Email

Donor Mailing Address

Funds received by 3:00 p.m., Central time are processed on that business day when U.S. financial markets are open; funds received after 3:00 p.m., Central time are processed on the following business day when U.S. financial markets are open.



affiliated with The United Methodist Church



United Methodist  
Foundation *of West Ohio*

**Endowment Signature Update**

Date: \_\_\_\_\_

Effective Date for new signatures: \_\_\_\_\_

Name of Endowment: \_\_\_\_\_

Church or Organization: \_\_\_\_\_

US Mail Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Names of current authorized Representatives

Continuing or Delete

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

Add the following to the list of authorized Representatives:

Printed Name

Position

Signature

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_