

Encouraging Lifelong Generosity with God's Abundance

Investment Overview

Stewardship for Charitable Investments

Organized in 1949, the Foundation is an independent 501(c)(3) public charity, partnering with many individuals, experts, churches, and organizations to provide several services:

- **Investment Management**
- **Endowment Genesis & Growth**
- **Trustee & Custodial Services**
- **Planned Giving Programs**
- **Donor Consultation**
- **Stewardship Development**
- **Financial Best Practices**
- **Ministry Grants & Scholarships**

Your local church or organization can benefit from a carefully-developed and professionally-managed investment program. There are many questions you may be asking when exploring investment options:

- How do we comply with laws governing our charitable investments, such as endowments and other gifts with donor-designated purposes and restrictions?
- How does professional money management benefit our organization?
- What are the costs involved in professional money management?
- What are the pitfalls of not having professional money management?
- How can we be responsible stewards with our organization's assets?
- Are these long-term or short-term investments?
- Does our organization need regular income from our investments?
- How can we establish a prudent plan to generate and receive income?
- How do we encourage and educate the people of our church or organization about planned giving and leaving a personal legacy?

Your church or organization may encounter different professionals who provide financial services: brokers, accountants, lawyers, insurance agents, and financial planners, many of whom work for networks with well-known brand names. It can be confusing to understand who you're really working with and what are the true costs and business obligations of these professionals.

The Foundation abides by fiduciary standards to care for your organization's best interests. The Foundation is here to help guide you through these questions and other concerns at no cost or obligation for consultation.

Advisor Key Services and Accountability

SouthCol Advisors, LLC, CEFEX Certified and B Corp Certification, provides portfolio management aligned with sustainability and the proven long-term strategy of managing portfolio allocations to relevant indexes and benchmarks.



Through partnerships with SEC-registered advisors and managers, like SouthCol, the Foundation provides the following key services for church and organization clients:

- **Stewardship:** Investment consulting and portfolio solutions
- **Governance:** Fiduciary services to support investment committees
- **Operations:** Administration and back-office solutions
- **Accountability:** Performance and impact reporting and oversight

The Foundation does not collect transaction-based or other extra fees from clients based on account activity. Services are provided through balance fees calculated daily and collected monthly based on assets under management (see below). The Foundation’s investment services provide your church or organization superior value in aligning your investments with your values and your mission.

Secular Investment Advisor

Midwest Methodist Foundation

Investment Advisor Fees:	1.05%*	Foundation	0.65% (tiered on AUM)†
Fund Managers’ Fees:	0.45%**	.....	0.37% (consultant & managers)††
Socially Responsible?	More cost? Maybe?	.....	Yes
Sustainable / ESG Investing?	More cost? Maybe?	.....	Yes
Mission Alignment?	For-profit, secular values	.....	Not-for-profit, shared social, ethical, and religious values
Long-Term Relationship?	Employee turnover?	.....	Yes
No-Cost Planned Giving Consultation?	No	.....	Yes
Intimate Knowledge of Church?	No	.....	Yes
Donor Consultation?	No	.....	Yes
Stewardship & Best Practices Help?	No	.....	Yes

* IA Fees: PriceMetrix, “The state of North American retail wealth management,” June 2020

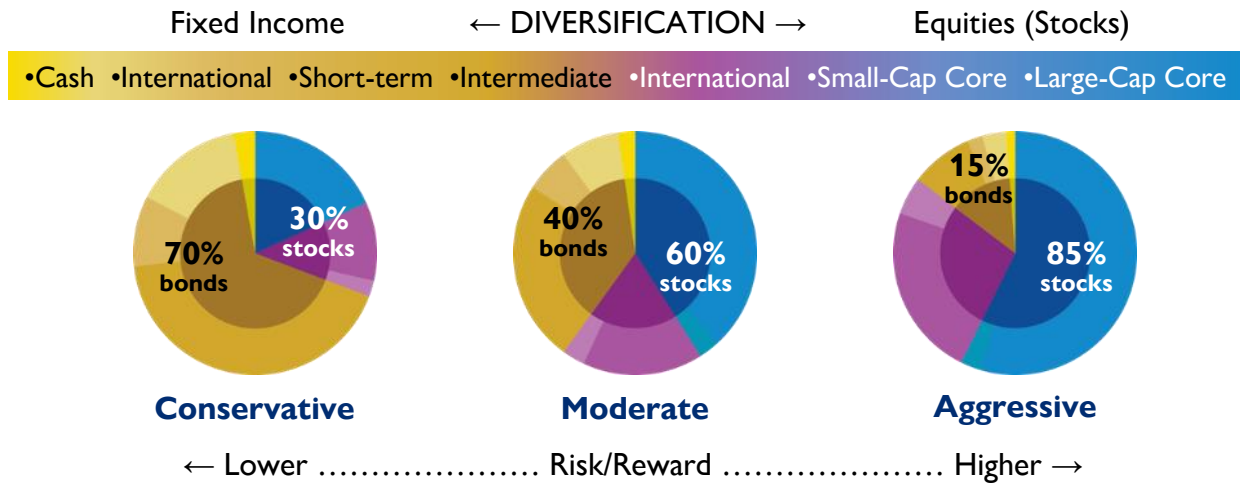
** Morningstar “In 2019, the asset-weighted average expense ratio of all U.S. open-end mutual funds and exchange-traded funds was 0.45%”

† Assets Under Management: < \$500,000, 0.65%
\$500,000-\$1,000,000, 0.60% • > \$1,000,000, 0.50%

†† Moderate Model as of June 2, 2023

Prudent Investment Management

The Foundation offers portfolios to our investment clients that are broadly diversified and optimized to fulfill Environmental, Social, and Governance (ESG) and sustainability objectives. Also offered are three similarly-allocated Climate Solutions models.



Following the “Three Simple Rules” of Methodism’s founder, the Foundation seeks to ...

1. **“Do no harm” ... be socially responsible.**
2. **“Do good” ... make a positive impact.**
3. **“Stay in love with God” ... serve your mission.**

The first rule compels the Foundation to not invest in companies with core business activities in weapons and armaments, alcoholic beverages, tobacco, private prisons, gambling, exploitative adult entertainment, and other objectionable activities.

Following the second rule, the Foundation makes a conscious effort to invest in companies surpassing the average ESG practices and policies of their peers.

Third, by partnering with the Foundation, you are freed up to focus on your mission.

For consultation, contact President Chris Walters: cwalters@midwestmethodist.org



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