

# The Foundation Ledger

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804-521-1121 [www.vaumfoundation.org](http://www.vaumfoundation.org)



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## How We Can Help Your Church

By the Rev. Brad Duty  
Foundation Services Advisor

**The Virginia United Methodist Foundation (VAUMF) was launched in 1971 to provide stewardship education and manage assets for local churches, districts and agencies of the Virginia United Methodist Conference (VAUMC).**

Our mission is to offer support with financial management to the United Methodist churches and organizations within the conference. We offer two types of investment opportunities for churches, one of which is also open to church members. In addition, we also offer mortgage-type loans to churches.

The first opportunity for churches is to invest in the market. The Foundation offers four funds, three

of which are compliant with the investment guidance in the *Book of Discipline*. These first three funds are the Stock Fund, Balanced Fund and the Bond Fund.

We partner with a special Merrill Lynch team designed specifically to manage the funds of nonprofit and religion-based organizations like the Foundation. Due to the size and influence of a large market manager, this Merrill Lynch team is able to *(continued on page 2)*



*Your church can benefit from the Foundation's partnership with the Kelly-Nagel Group of Merrill Lynch who specializes in portfolio management for nonprofit organizations.*

*(continued from page 1)*

carefully examine our holdings to ensure compliance with the *Book of Discipline* (BoD).

The fourth fund includes a mix of stocks and bonds, much like the Balanced Fund, except that it has an alternative component designed to work independently of the overall market to enable greater stability in a down market. Because this portion is complex, changes frequently, and can include real estate and hedge funds, it cannot always be certain of being BoD-compliant.

Market investment funds are available to United Methodist churches and organizations in the Virginia Conference but are not available to individual church members. Churches can decide which funds they select and can move the money between funds. These funds are also where the Foundation invests the church endowment funds we manage as well as donor-advised funds.

### Planned Giving Program Helps Your Members

The Foundation also helps churches with planned giving and can meet with your church about specific planned giving tools, such as:

- Giving appreciated assets like stocks or mutual funds to receive a tax deduction for the donation and to possibly avoid a capital gains tax. This applies to givers of all ages.
- Using required minimum distributions (RMDs) from retirement accounts to give to your church and avoid being taxed on the income
- Setting up a donor-advised fund (DAF)

### Loan Opportunities for Churches

The second opportunity to invest is in our subsidiary called the Virginia United Methodist



*Through wise investing, your church can experience an increase its assets and promote long-term sustainability of your congregation.*

Development Company (DevCo). This organization operates much like a savings and loan, offering investment certificates and savings certificates. DevCo accepts these funds and loans them to churches through mortgage-type loans to build new facilities, renovate a building, add a parsonage, or for major upgrades, etc.

The interest received by the Development Company on loans in turn funds the interest rate of our investment and savings certificates.

### **Individuals Can Also Invest in DevCo Certificates**

One big difference between DevCo certificates and the Foundation investments is that individual church members may also invest in DevCo certificates.

Another difference is that the investment certificates have fixed rates for the duration of

the term. Current term options range from 6- to 60-month certificates. The rates are fixed and do not fluctuate during the term of the certificate. DevCo certificates can be a suitable place to park short-term funds, rather than investing in stocks when a down market could result in a loss of principal when the short-term funds are needed.

### **How to Connect With Us**

The Foundation is here to support your church or other United Methodist organization. More information is available on our website ([VAUME.org](http://VAUME.org)). Our representatives can also meet with you and your church in-person or virtually. In all of this, we remember the words of Jesus: "Render unto Caesar what is Caesar's..." We want to help you make sure it's not a nickel more!



# Partnership with DevCo Contributes to New Facility

By Randolph R. Shelton  
VP of Lending & Capital Development

**O**n Sunday, September 29, 2024, New Life International UMC held its dedication of a new church building.

After six years, with the launch of New Life International at Fairfax (now New Life International at St. Andrews UMC), Pastor John Obeng and his congregation have a new building to worship, fellowship and serve the local community. How marvelous was the celebration! The church was packed with invited guests, members and leaders. The Rev. Dr. Sarah Calvert, former Northern Virginia

district superintendent, and the Rev. Kirk Nave, current Northern Virginia district superintendent, were guest speakers.

For the Foundation and DevCo teams, it's such a wonderful feeling to recognize that Virginia United Methodist Development Company (DevCo) played a vital role in financing the construction of this new building! Over the past three years, DevCo representatives have worked closely with Pastor Obeng, trustees and other church leaders in bringing this building project to a successful completion.

"This is more than just a building," said the Rev. Dr.



John Obeng, reflecting on the journey that led to this day. “This building is the fulfillment of years of prayer, planning and faithfulness. We thank God for providing us with this space, not just for ourselves, but for our community, and we are committed to using it to glorify God in all we do.”

He continued by saying, “It is a sacred space where the community can come together to grow in faith, support one another, and serve the world around them.”

chapter of its history, one filled with promise and opportunity for spiritual growth, outreach and deeper connection with the surrounding community.

### **We are your partners in ministry!**

DevCo is always available to help United Methodist churches within the VAUMC with construction projects.



The new facility can accommodate more than 300 worshippers and features modern amenities to enhance the worship experience, as well as spaces for children’s ministry, Bible studies, community outreach programs and fellowship events. The church leadership hopes the building will be a beacon of hope and love, not just for its members but for the entire neighborhood. With the consecration of the new building, New Life International at St. Andrews UMC is entering a new

If you have innovative ideas and need help with your expansion projects, please do not hesitate to contact the lending team at DevCo by calling **804.521.1121** or emailing our Vice President of Lending, Randolph R. Shelton, at [randyshelton@vaumc.org](mailto:randyshelton@vaumc.org).

# Current Foundation Fund Performance

	Since Inception	Oct. 2024	YTD 2024	2023	2022	2021	2020	2019	2018
Balanced Fund	7.30%	(1.80)%	9.77%	14.1%	(13.0)%	8.7%	12.7%	21.4%	(7.1)%
Balanced Plus Fund	6.70%	(1.25)%	10.62%	13.1%	(11.2)%	8.9%	9.5%	18.8%	(4.9)%
Stock Fund	10.63%	(1.59)%	14.45%	18.6%	(12.6)%	14.3%	15.1%	28.7%	(9.4)%
Bond Fund	0.96%	(1.64)%	1.64%	5.7%	(12.5)%	(1.9)%	5.9%	7.9%	(0.55)%

## DevCo Certificate Rates

Investment Certificates						
Maturity Period	6 mos.	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.
Rates	3.85%	4.35%	4.05%	4.00%	4.00%	4.00%
Minimum Investment			\$1,000			
Interest Accrued			Quarterly			
Savings Certificates						
Rate			3.00%			
Minimum Investment			\$1,000			
Interest Rate Varies			Daily			
Retirement Certificates						
Maturity Period			60 months			
Rate			4.00%			
Minimum Investment			\$5,000			
Interest Accrued			Quarterly			
NO ANNUAL FEE						