



# The Foundation Ledger

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## The Latest Foundation Developments

By the Rev. Matthew W. Charlton, PhD  
VP of Philanthropy & Development

The staff of your Foundation sends you greetings in the spirit of Christ as we approach the mid-point of the year and annual conference.

Every day, we work on behalf of you, your churches and the communities you serve to enhance your ministry with discipline and excellence. Through socially-conscious investment management, the Virginia United Methodist Foundation delivers investment returns ensuring you invest in areas that support the well-being of people, communities and environment.

are offered at excellent rates and supported by UMC churches and individuals committed to the collective power of our connection.

Our long-standing grants program offers support to emerging programs as well as ministries serving those to whom Christ has called us.

To continue serving you and the Church with excellence, we'd like to

Loans made through the Development Company (DevCo)

*(continued on page 2)*

# We Can Help

Roobcoo/Stock

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highlight some initiatives that demonstrate our passion to be proactive and adaptive in service to the Kingdom of God through financial, operational and ministry excellence.

## **Saving Grace for Clergy:**

Saving Grace is a financial literacy program teaching a Wesleyan approach to personal money management. In 2026, it was expanded to offer a third class. As a result of the response to this course for clergy, we are inspired to develop a Saving Grace class for laity, which we plan to offer this summer.

## **Smaller loan threshold:**

The Development Company, the church lending arm of our work, now offers simple, flexible loans under \$50,000 to help your church address essential facility needs, such as replacing roofs, upgrading HVAC systems or resurfacing parking lots. With a streamlined process and no collateral required, you can move quickly on critical projects and stay focused on your ministry.

## **Planned giving support and training:**

Based on our recent survey to assess capacities within VAUMC churches, many leaders indicated a need for more knowledge and support in setting up planned giving, endowments and donor-advised funds (DAFs). We offer this support as

needed and when requested. It is always available, so please reach out!

## **Philanthropy and development:**

Last year, the Foundation expanded to create a new initiative devoted to philanthropy and development. The work of this office is to enhance, strengthen and grow our grant support offerings, develop new funding streams to support emerging ideas, and offer a centralized platform for scholarships, to be released in 2026-27.

## **Improved online experience for clients:**

Also coming soon is an enhanced online client experience where Foundation account holders can easily access their information and make transactions online.

## **We are your Foundation.**

Together, we serve the church that responds daily to the call of the Spirit to make disciples for the transformation of our communities and the world. Every day, the staff of the Foundation approaches our work with joy, as we celebrate with you the beauty of God's good work from the Eastern Shore to the Blue Ridge Mountains and Shenandoah Valley.

**Yours in Service,  
The Foundation Team**

# Annual Investors' Briefing: Learn About the Current Market

**E**ach year, the Virginia United Methodist Foundation holds the Annual Investors' Briefing (AIB) so our churches and clients can learn about current economic trends and the performance of our four investment funds from our partners at Merrill Lynch.

Join us for this special annual event, held virtually so you can join from anywhere! Learn more about market conditions and VAUMF fund performance from our expert partners at Merrill Lynch.

Merrill Lynch investment advisors will share market insights.

**Junaid Ahmad, Senior Vice President of Merrill Lynch's Global Institutional Consulting group**, the Foundation's investment partner, will speak about 2025 Foundation fund performance and current market trends. Junaid was named "best-in-state wealth advisor" in 2025 by Forbes Magazine and has more than 20 years of experience in financial advising. He and his team provide guidance for over \$1.7 billion in assets for families and institutions.

**Joseph Curtin is a managing director and head of portfolio management** for the chief investment office (CIO) within Bank of America Corporation supporting Bank of America Private Bank and Merrill Lynch. He is responsible for managing equity and multi-asset model portfolios across the wealth management businesses. Joe is a voting member of the Global Wealth & Investment Management Investment Strategy Committee (GWIM ISC), head of the GWIM Investment Management Committee and a voting member of the GWIM Portfolio Construction Committee.

**The 2026 AIB will be held via Zoom from 10 a.m. to noon on Thursday, May 21, 2026.**

[Register here.](#)



Yongyuan/Stock



David Baileys/iStock

## The Value of a Golden Tithe: How to Plan Your Legacy

By the Rev. Brad Duty  
Financial Services Advisor

**I**n conversations with many churches, I have discovered that very few church leaders talk to their members about bequests or gifting a “golden tithe” — the strategy of leaving 10% or more of your estate to the church as a final act of stewardship.

Worth noting: colleges and universities receive millions of dollars through bequests. As I investigated why this happens, the answer was a simple, forehead-smacking realization — because they ask! In my experience, alma maters don’t just ask — they pester you with relentless mailings and emails about how much good your gift will do. I suspect many of you also receive plenty of “solicitations” from your alma mater.

Having said that, is the goal of this article an ask? I suppose that just by bringing it up, it could be considered one. Instead, I prefer to see it as some basic teaching and clarifying that might inspire you to consider including your church as one of your final beneficiaries. Importantly, under current tax law, not all assets are equal in terms

of beneficiary designations. This is especially true of traditional retirement accounts such as an IRA, 401(k), TSP, 403(b), etc. When those accounts are left to individuals other than a spouse, the recipient has 10 years to withdraw the funds, which are then taxed as ordinary income at the recipient’s tax rate. (Placing your accounts in a trust, as some people do, does not negate the tax obligation.)

**Let’s consider an example.** Naomi was an 80-year-old widow who lived in Northern Virginia. She had two children, Ruth and Rahab. Both are highly successful and in the 35% tax bracket. Naomi’s estate consists of her two-story, large home purchased 30 years ago for \$280,000. The home is now worth approximately \$1 million. Additionally, she inherited her husband’s 401(k), which,

combined with her own, amounts to \$800,000. Naomi also has \$200,000 in her brokerage account, for a total estate value of \$2 million. She and her husband met when she was in college at Boaz University. They loved their alma mater and were committed to supporting it. She was also very devoted to her church. Therefore, she decided to leave 30% to each of her children and split the remaining 40% between her church and Boaz University.

If she merely entered that split in her will, then all the accounts would be divided evenly so each daughter inherits \$300,000 from the house sale, \$60,000 from her brokerage account, and \$240K from the 401(k), for a total of \$600,000. Boaz University and her church are delighted because they will receive a full \$400,000 mix of the retirement account, the house sale and the brokerage account. Ruth and Rahab aren’t so lucky. Of the \$240,000 they each inherit from the 401(k), they will each have to pay approximately \$84,000 in taxes as they meet the 10-year mandatory withdrawal rule (at the current value). That means a total estate tax bill of \$168,000 for the daughters.

**If Naomi had planned a little differently,** she could have split the 401(k) entirely between Boaz University and the church so these two entities would be thrilled because they each would still receive the full \$400,000, with no taxes due. The two daughters would then split the brokerage money and the house sale funds. It is worth noting that in Virginia, it’s possible to designate a beneficiary for a house. In our example, Naomi’s two daughters were made beneficiaries of the house which reduced probate costs to little or nothing. That way, Ruth and Rahab each receive a full \$600,000 and pay zero dollars in taxes. By switching who gets what, the estate saves \$168,000 in taxes between the two surviving children.

**What’s the lesson?** Traditional retirement accounts are great ways to leave money to the church. A “golden tithe” can prevent your children, grandchildren or trust fund from having

to pay taxes on those monies. Plus, changing beneficiaries is easily facilitated. The church can be named for a specific dollar amount or a percentage. Either way, you can set it and forget it. My experience has been that families are often delighted to tell the church their deceased parent left a generous gift to the church.

**John Wesley encouraged Christians to “gain all you can, save all you can, and give all you can.”**

For some people, one of the most meaningful and generous gifts they ever give is the final one they leave behind. Thoughtful planning can bless both your family and the ministries you care about most. It is one more way our faith continues to bear fruit even after our lives on this earth.

If this topic raises questions for you, consider discussing it with your family or financial advisor. A little planning can go a long way in caring for both your loved ones and the ministries you support.



Darren 415/iStock

*A golden tithe is a meaningful way to leave a legacy to a cause close to your heart.*

# Current Foundation Fund Performance

	Since Inception	April 2026	YTD	2025	2024	2023	2022	2021	2020
Balanced Fund	7.74%	5.75%	3.93%	13.83%	9.4%	14.1%	(13.0)%	8.7%	12.7%
Balanced Plus Fund	7.59%	5.87%	4.52%	14.56%	10.3%	13.1%	(11.2)%	8.9%	9.5%
Stock Fund	11.17%	8.78%	5.78%	18.25%	14.2%	18.6%	(12.6)%	14.3%	15.1%
Bond Fund	1.30%	0.24%	0.30%	6.40%	1.4%	5.7%	(12.5)%	(1.8)%	5.9%

## DevCo Certificate Rates as of 4/1/2026

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### Investment Certificates

Maturity Period	6 mos.	12 mos.	24 mos.	36 mos.	48 mos.	60 mos.
Rates	3.50%	3.60%	3.70%	3.80%	3.85%	4.00%
Minimum Investment	\$1,000					
Interest Accrued	Quarterly					

### Savings Certificates

Rate	2.50%
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**



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