



**NEBRASKA UNITED METHODIST FOUNDATION  
ENDOWMENT AGREEMENT**

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

Donor(s): \_\_\_\_\_

Income Beneficiaries:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Fund Name (the "Fund"): \_\_\_\_\_

Donor(s)' Total Gifts to the Endowment Fund as of the Agreement Date: \$ \_\_\_\_\_

- 
1. Parties – The parties to this agreement are the Donor(s) named above and the Nebraska United Methodist Foundation, Lincoln, Nebraska, a Nebraska non-profit corporation (the "Foundation") whose address is 100 West Fletcher Avenue, Suite 100, Lincoln, Nebraska 68521.
  2. Donor(s)' Purpose – By this agreement, the Donor(s) intends to establish a permanent endowment fund for the Income Beneficiary(ies) identified above. The Donor(s) understands that the Foundation serves United Methodist churches and institutions within the Great Plains United Methodist Conference. One way in which the Foundation serves the churches, institutions, and individuals is to hold and manage endowment funds in trust and to distribute earnings therefrom to provide churches and institutions with a fair rate of return on their funds.
  3. Acceptance of Contributions – The Foundation agrees to accept from the Donor(s) contributions at the time this agreement is made, and may, in the future, receive cash and other property acceptable to the Foundation and add such gift proceeds to this Fund. Gifts received at the time this agreement is made are as follows:  
\$ \_\_\_\_\_.
  4. Permanent Endowment Fund – The Donor(s) directs the Foundation to hold and invest the Donor(s)' original contribution, if any, and any additional contributions to this Fund and to distribute the income or percentage therefrom to or for the benefit of the Income Beneficiary(ies). **The income or percentage is the Foundation's Distribution and**

**Reinvestment Plan (DARP) rate as determined by the Foundation’s Board of Directors.** The Foundation is further directed to maintain the principal of the Fund and to follow investment and distribution policies as directed by the Foundation’s Board of Directors, which shall permit the principal to grow so as to offset the impact of inflation. Accordingly, the Foundation is directed not to invade or distribute the Fund principal. It is understood that investment results may, from time to time, cause the Fund principal value to drop below the original amount. Distributions of earned income or a reasonable percentage of Fund assets shall not constitute invasion of principal.

5. Alternate Income Beneficiary – If any Income Beneficiaries ever cease to exist as determined by the Foundation, the Fund earnings will thereafter then be directed to the remaining Income Beneficiary(ies) or, in the event no named Income Beneficiary exists, such other United Methodist agency, program, or institution which meets the Donor(s)’ charitable intent. In the event no named Income Beneficiary exists, the Funds may be used in the sole discretion of the Foundation, even if such use varies from the Donor(s)’s initial charitable intent, subject to the Foundation’s Endowment Fund Policy.

6. Management and Control – The Foundation shall have sole management and control of Fund. In the sole discretion of the Foundation, the Foundation may sell, transfer, or otherwise dispose of assets of the Fund and may invest and reinvest the Fund in securities, investment pools, investment trusts, and other property, without restriction, and shall have all powers as provided by state and federal law. The Foundation shall not be required to account to any court or any state authority or agency.

7. Administrative Fees – In addition to expenses directly related to management of the Fund, a reasonable sum, as determined by the Foundation, may be charged for defraying overhead and supervision costs incurred in the administration of the Fund. A detailed explanation of administrative fees that may be incurred, including investment fees, is attached hereto and referenced herein.

8. **Additional Distribution Guidelines:**

A. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

B. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

C. \_\_\_\_\_

\_\_\_\_\_

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D. \_\_\_\_\_

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E. \_\_\_\_\_

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Executed effective the date noted above.

**THE DONOR(S):**

[Name(s)]

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*Signature*

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*Signature*

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*Attest (Title) (Optional)*

**THE FOUNDATION:**

The Nebraska United Methodist Foundation

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*By*

---

*Name*

---

*Title*

## ATTACHMENT

### Foundation Fees and Expenses

Fees and expenses associated with the Foundation's investment, accounting, and fund administration services are as follows:

#### **Accounting and Administration Fee**

The Foundation assesses an annual accounting and administrative fee of one percent (1%) on the balance of all accounts that fall under \$500,000. The fee on balances of \$500,000 to \$750,000 is three-fourths of one percent (.75%), and on balances of \$750,000 or more is one-half percent (.50%). The accounting and administrative fee is deducted monthly (1/12 of the annual amount) from each account. The accounting and administrative fee helps underwrite all Foundation services (e.g., Gift and Estate Planning Workshops, Brochures, Donor Consultations, Endowment Fund Development, and other Foundation services, **all provided at no cost** to congregations and the Conference).

The Foundation's fee structure is comparable to other United Methodist Foundations and is much less than what comparable services would cost if participants were to contract elsewhere for the total package of account administration and investment management services.

#### **Investment Costs**

The investment costs include all costs associated with the holdings of the Funds and investment advisory services. Investment costs are charged directly to the Funds and are not assessed at the Foundation level. The average total investment cost for each of the Funds is 0.40 percent. In those instances when fund managers other than the Foundation's managers of record may be given authority to manage a portion of the Foundation's assets, then the fee of such authorized managers shall be the only management fee charged to such assets. The Foundation Board of Directors evaluates and measures the performance of all fund managers on an ongoing basis.

The Foundation strives to minimize costs. All accounts, including those owned by the Foundation, share pro rata in the investment costs.

#### **Custodial Costs**

There are no costs for custodial services.

#### **Participant Transaction Expenses**

Participants in the Foundation's Investment Funds pay **no** transaction fees, charges or expenses to make deposits in, or withdraw assets from, the Funds. There are no commissions, no front or back end surrender fees, and no penalties for early withdrawals. Deposits and withdrawals, of any amount, can be made at any time.