



November 26, 2025

United Methodist Frontier Foundation
Ellen Knudsen
20 Soundview Avenue
White Plains, NY 10606

Dear Partners in Ministry,

As we head into this joyous holiday season, we are delighted to share an important change that will help us to better serve you.

In our role as financial stewards, we continually assess whether our investment partners are meeting our financial and mission-focused objectives. Following a thorough review by our Investment Committee, we identified a stronger path forward, and our Board acted. Guided by prayer and consultation, they chose a new investment management firm that will help us strengthen the financial resources that support your ministry.

Our sister foundation, the United Methodist Foundation of New England - in partnership with Parametric Portfolio Associates and Breckinridge Capital Advisors - will be the new investment manager. They bring extensive experience in passive investing and a strong track record of managing church and nonprofit portfolios with highly competitive returns. In fact, they offer a number of advantages, including:

- Lower fees
- Highly competitive returns
- A competitive money market fund
- Robust and rigorous approaches to socially responsible investing
- An array of services to support and strengthen your church's ministries

This is a seamless change for you. There is no action required from your church as part of this transition. You'll continue working with the same trusted staff, who remain your first point of contact for all questions. All funds remain secure and your investments continue to be handled with the utmost care and integrity, while allowing us to provide the same transparent reporting you demand. We are committed to absorbing any transaction costs of the transition so there will be no cost to your church.

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While the attached document will provide answers to the most frequently asked questions, we know you may still have questions. We welcome the opportunity to speak with you. Please feel free to contact us.

- Ellen Knudsen, Executive Director at 914-615-2238 or eknudsen@umff.org
- Maureen Palumberi, Finance Manager at 914-615-2239 or mpalumberi@umff.org

We're excited to share more soon about expanded resources and new services to support your ministry. Thank you for your continued trust and for the vital work you offer to your community. We are steadfast in our calling to be your faithful partner in ministry, stewarding God's resources to strengthen the financial foundation of the churches and ministries we serve.

Warmest regards,



Ellen Knudsen
Executive Director



Robert A. Knebel
Board Chair

attachment

United Methodist Frontier Foundation Investment Manager Transition – FAQs

Why is the Foundation changing its investment manager?

The decision reflects our commitment to faithful stewardship. After careful review, the United Methodist Frontier Foundation (UMFF) Board determined that a new manager would better align with the mission, values, and long-term financial goals of the Foundation and the churches we serve. The new manager brings several important features to your portfolio:

- Lower fees
- Highly competitive returns
- A competitive money market fund
- Robust and rigorous approaches to socially responsible investing
- An array of services to support and strengthen your church’s ministries

What action does my church need to take in the transition?

None. The transition of assets will happen automatically.

Will my church need to make changes in our investment choices?

You will not need to make any changes to your church’s investment selections. We will automatically align your current choices with the new Model Portfolios. If you have questions or would like to review the updates, we’re happy to discuss them with you.

What are the new Model Portfolios?

There will be 10 Model Portfolios from 3 investment pools: Stock Pool, Fixed Income Pool and Money Market Pool.

<i>Portfolio Model & Objective</i>	<i>Target Asset Allocation (+ / - 5%)</i>
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Stock Model	100% Stock Pool
Capital Appreciation Model	80% Stock Pool / 20% Fixed Income Pool
Weighted Growth & Income Model	70% Stock Pool / 30% Fixed Income Pool
Balanced Growth Model	60% Stock Pool / 40% Fixed Income Pool
Moderate Growth & Income Model	50% Stock Pool / 50% Fixed Income Pool
Balanced Income Model	40% Stock Pool / 60% Fixed Income Pool
Weighted Income & Growth Model	30% Stock Pool / 70% Fixed Income Pool
Income & Capital Preservation Model	20% Stock Pool / 80% Fixed Income Pool
Fixed Income Model	100% Fixed Income Pool
Money Market Model	100% Money Market Pool

When will the transition take place?

The transition will begin January 5, 2026 and is expected to be completed within a week. We will keep you informed throughout the process.

Who is the new investment manager?

Our sister foundation, the United Methodist Foundation of New England (UMFNE) - in partnership with Parametric Portfolio Associates and Breckinridge Capital Advisors - will be the new investment manager. They bring extensive experience in passive investing and a strong track record of managing church and nonprofit portfolios with highly competitive returns.

Will our foundation's values be upheld?

Absolutely. The new manager centers their approach in ethical investing, including faith-aligned screens and responsible stewardship. They are strongly aligned with UM Social Principles and are a leader in socially responsible investing.

What are the new investments?

The new UMFNE-managed portfolio will be invested exclusively in publicly traded securities. They apply a comprehensive set of social and environmental screening criteria, excluding companies involved in alcohol, tobacco, military weapons, handguns, for-profit prisons, commodity chemical manufacturing, and fossil fuels, including exploration and production, pipelines, refining, and transportation.

The equity portion will be 75% in US stocks in a screened passive portfolio benchmarked to the Russell 3000 Index and 25% in international ADRs benchmarked to the MSCI All Country World ex-US Index. It will therefore be a comprehensively screened global portfolio.

Is there any change to our ability to access our funds?

There is no change to your ability to access funds. UMFF will make its normal December 2025 distributions.

During the transition, UMFF and UMFNE will review each church's account to ensure all investments have been accurately and fully moved into the new portfolios. As a result, churches may experience a brief period (estimated at no more than three days) when full access to funds may be temporarily limited until the transition is complete.

Will this impact church programs or grants?

No. The transition is designed to be seamless and will not disrupt funding for ministries, outreach, or church operations.

Are there any costs or risks involved?

The Frontier Foundation Board has reviewed all financial implications. If there are any Transition costs, we believe they will be less than 0.1% in total and outweighed by the long-term benefits of improved alignment, competitive performance and lower costs. *The Foundation is committed to absorbing any transaction costs of the transition so that there will be no cost to your church.*

Will our reporting look like what we are used to receiving?

Yes, you will continue receiving familiar reports, as UMFNE and UMFF use the same accounting system. No change is expected in how or when your information is shared.

What about the Staff of UMFF? Will our same people be part of the UMFNE offering?

The same trusted UMFF team will remain your primary point of contact for all questions and support. While the UMFNE brings expanded investment expertise and infrastructure, your day-to-day relationships will stay exactly the same.

Who approved this change?

The UMFF Board of Directors approved this change following a thorough due diligence process and formal recommendation by its Investment Committee.

How will members be kept informed?

Updates will be shared via letters and the Foundation's website. We are preparing a special virtual Q&A session to allow our participants to ask any questions. Please check our website, UMFF.org after December 5th for dates and sign-up instructions.

Who can I contact with questions?

If you have questions or would like more information, please reach out to the UMFF staff in White Plains. We're here to help and ensure a smooth transition for all UMFF churches.

- **Ellen Knudsen**, Executive Director at 914-615-2238 or eknudsen@umff.org
- **Maureen Palumberi**, Finance Manager at 914-615-2239 or mpalumberi@umff.org

We thank God for you and your church. Thank you for your partnership in ministry!

