



Conference Forum—April 2019



**Wespath**

BENEFITS | INVESTMENTS

# Organizational Updates

# Our Strategic Plan Provides Direction



## Participant Engagement

Change participant behavior to measurably improve retirement readiness and lifelong well-being.



## Benefits

Optimize benefit plans to balance the common good of participants and plan sponsors, while meeting our fiduciary obligations and U.S. church needs.



## Organizational Effectiveness

Become best-in-class financial services agency that invests in people, technology and process discipline to create excellent customer experiences.



## Growth

Grow revenue by serving similar values-based organizations to improve our ability to serve our mission.



## Central Conferences

Evaluate and activate opportunities to advance the vitality of the global Church through Central Conference benefits and services.

# Growth



**Grow revenue by serving similar values-based organizations to improve our ability to serve our mission.**



The logo for Wespath Institutional Investments is centered on the left side of the slide. It consists of a white circle containing the word "Wespath" in a bold, blue, sans-serif font. Below "Wespath", the words "INSTITUTIONAL INVESTMENTS" are written in a smaller, grey, all-caps, sans-serif font. The background of the slide is a dark blue gradient with a stylized world map composed of light blue squares and various financial data charts, including line graphs and candlestick patterns, overlaid on it.

**Wespath**  
INSTITUTIONAL INVESTMENTS

Serving the Missions  
of a Broader Range of  
United Methodist-Related  
Institutions

Wespath Institutional Investments

# Journey to WII—January 2 Go-Live

---

- Successful transfer of nearly **\$2 billion** in assets representing **60** institutional client accounts
- Implementation of all systems-related changes
- Creation/rebranding of **over 50** marketing or informational materials, updating website, comprehensive social media plan
- Slight pricing issue—corrected with no client impact
- Transition of social media pages

# Final Institutional Client Breakdown

**Endowment and foundation assets =  
Wespath Institutional Investments  
and *I Series* of funds (\$1.89 billion)**

- Children's homes
- Churches
- Endowments
- Foundations
- Healthcare institutions
- Senior adult communities
- UMC agencies

**Wespath**  
INSTITUTIONAL INVESTMENTS

**Assets  
across both:**

- GBGM
- Northwest  
UMF
- UMW

**Benefit plan assets =  
Wespath Benefits and Investments  
and existing funds (\$1.50 billion)**

- Annual conferences
- Central conferences
- Central Finance Board (U.K.)
- GCFA
- UM Publishing House



**Wespath**  
BENEFITS | INVESTMENTS

# WII Project by the Numbers



65 Wespath employees involved  
in implementation



10 Wespath departments  
involved

10,000+

Project hours



850 Test cases executed  
multiple times



8 New funds created



60 Institutional clients

\$2 billion

Assets under management

# Going Forward

---

- Developing plan to access broader UMC market
- Refine client reporting structure  
(webinars, monthly reports, etc.)
- Begin use of *P Series* naming convention





# Cost Allocations

# Organizational Effectiveness



**Become best-in-class financial services agency that invests in people, technology and process discipline to create excellent customer experience.**



**Technology**



**Processes**



**People**

# Cost Allocations

---

- Increased fee transparency to conferences
- Directly allocate costs for plans, programs and services to the organizations using them
- Not cost additive—only better alignment of costs to the user of services



# Direct Cost Allocation To Clergy DB Plans

- Allocating direct costs to Pre-82, CRSP DB, MPP
- Presented at NAACT\* meeting
  - September 2018
- Presented at AUMCPBO\*\* meeting
  - November 2018
- Began **Q4 2018**
- Pre-82 direct costs allocated based on conference's Pre-82 liability

\* National Association of Annual Conference Treasurers

\*\* Association of United Methodist Conference Pension and Benefits Officers



# Direct Cost Allocation

## For Health and Welfare Programs

---

- Directly billing eligibility costs for Virgin Pulse and Via Benefits plan sponsors not sponsoring HealthFlex
- HealthFlex had previously been absorbing these costs
- Begins **Q1 2020**
- Outreach to impacted plan sponsors has been completed



**Wespath**

BENEFITS | INVESTMENTS