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DISCLOSURE DOCUMENT ON THE BARNABAS FOUNDATION COMMON TRUST FUNDS

COMMON FUNDS

Barnabas Foundation, 3801 Eagle Nest Drive, Suite B, Crete, IL 60417-1993, an Illinois not-for-profit corporation established in 1976, maintains a Common Trust Fund (FUND) for the benefit of the Charitable Trusts, Charitable Gift Annuities, Restricted Funds, and Donor Advised Charitable Funds it manages. The FUND is comprised primarily of assets of the types listed above, but may also include general endowment funds of Barnabas Foundation, its supporting organizations, and of its member organizations.

The FUND has several sub-funds which are simple pooled accounts for investment purposes. Investments in the FUND can be made, withdrawn or reallocated between sub-funds at the beginning of each month. The income earned on each sub-fund is allocated pro rata among the participants in such sub-fund on a monthly basis. For purposes of entry to and exit from each sub-fund, unrealized gains and losses are taken into account to adjust the assets to fair market value.

A gift annuity reserve account, the California Annuitants of Barnabas Foundation Trust, is also maintained as a Common Trust Fund for California annuitants and is addressed below under CHARITABLE GIFT ANNUITIES.

REPORTS

Reports on the FUND are available quarterly on Barnabas Foundation's website (www.barnabasfoundation.com) showing the value, investment objectives, and the performance of each sub-fund. Copies of Barnabas Foundation Common Trust Fund's reports and the audited financial statements are available upon request.

INVESTMENT RISKS

Each of the FUND's sub-funds is subject to fluctuations in value. The volatility of the Funds depends upon the underlying securities included in the portfolio. The Common Trust Cash Equivalents Fund is less subject to fluctuations in value, but some may occur in the event of a default in any of the securities held in such fund. Each donor is encouraged to consult with his or her own advisors regarding the risks, tax treatments and other aspects of contributing to Barnabas Foundation and the investment of such contributions in the FUND.

INVESTMENT OVERSIGHT

Oversight of the FUND is the responsibility of the Barnabas Foundation Board of Directors. The board delegates much of that work to an investment committee consisting of six or more individuals. A list of the investment committee members is available upon request. The investment committee monitors asset allocations between the sub-funds and reviews performance of professional investment managers hired to manage specific sub-funds.

CHARITABLE GIFT ANNUITIES

Barnabas Foundation issues Charitable Gift Annuities for the support of its member organizations. Charitable Gift Annuity payments are a general obligation of Barnabas Foundation and are backed by all of its assets. All contributions for Charitable Gift Annuities are held in separate reserve accounts to meet payment obligations to annuitants.

Barnabas Foundation maintains two reserve accounts: a general gift annuity reserve account and the California Annuitants of Barnabas Foundation Trust as mandated by California Law. The California Annuitants of Barnabas Foundation Trust is invested in accordance with the state's investment restrictions. The general reserve account is allocated among various sub-funds of the FUND as determined by the investment committee.

General reserve account value on 06-30-21 was \$25,023,648
California reserve account value on 06-30-21 was \$1,542,959

The accounts include the required reserve amounts calculated each year based on the life expectancies of the annuitants, and the remainder of the contribution amounts in excess of required reserve, referred to as the surplus. The surplus as of 06-30-21 was \$9,919,191.

Gifts made to establish Charitable Gift Annuities are irrevocable and are the sole property of Barnabas Foundation. The maximum Gift Annuity rates paid will be the current rates suggested by the American Council on Gift Annuities. The rates include the assumption that a portion of the initial gift will be returned to the annuitant in the form of annuity payments. Therefore, only a portion of the initial gift is tax deductible and it is likely that less than the entire initial gift will be available for charitable distribution upon maturity.

Donors are invited to recommend charities to receive the residual portion of the contribution remaining after satisfying the annuity payment obligation. Distributions can be recommended to both Christian and secular charities. However, Barnabas Foundation will not approve distributions to charitable organizations with a mission inconsistent with our Christian values and practices, or for a specific purpose or project inconsistent with those values or practices.

Charitable Gift Annuities are governed by state law and may be subject to regulation by the insurance department or securities department of the donor's state of residence. A Charitable Gift Annuity is not insured or otherwise guaranteed by any state or federal agency. A Charitable Gift Annuity is not insurance under certain state's laws.

Medicaid Disclosure for Charitable Gift Annuities

Medicaid law contains rules that should be considered when establishing a Charitable Gift Annuity. Listed below are key provisions of the law you may wish to consider before making your gift.

If you transfer assets for less than fair market value within the "look-back period" of applying for Medicaid, you may be treated as if you divested those assets, resulting in the application of a penalty period in Medicaid. In 49 of the 50 states, the length of the look back period is 5 years (60 months). The one exception to this rule is California, which has a 2.5 year (30 month) look back period.

1. The penalty period will begin on the date you are eligible for Medicaid and are receiving long term care services. The penalty period will depend on the amount transferred.
2. Depending on how your state interprets the law, establishing a Charitable Gift Annuity may be considered a divestment and would result in a divestment penalty period as described above.
3. If you expect that you may need to apply for Medicaid, it is recommended that you speak with a professional advisor before establishing a Charitable Gift Annuity. Experts in the area of gift planning recommend that an individual have enough cash, securities, other investments, or long-term care insurance for five years of nursing home-level care before establishing a Charitable Gift Annuity.
4. If a Charitable Gift Annuity is not appropriate at this time, there may be other ways you could benefit your favorite charity without risking Medicaid disqualification.

Inflation Risks Associated with CGA Payments

Before establishing and funding a Charitable Gift Annuity, you should consider the impact of inflation on the payments you will receive over time. You are agreeing to a fixed payment for the term of the Charitable Gift Annuity, most commonly for your lifetime. Over time, inflation will erode the purchasing power of your payment.

EXEMPTION FROM REGISTRATION REQUIREMENTS

Barnabas Foundation's Common Trust Funds are exempt from the registration requirements of the Federal Securities Laws pursuant to an exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995, PL104-62. This disclosure statement is provided to you in accordance with that Act.

EXEMPTION FROM BROKER-DEALER PROVISIONS

Barnabas Foundation's Common Trust Funds are exempt from the broker-dealer provisions of the federal securities laws pursuant to an exemption for any trustee, director, officer, employee or volunteer of a charity acting within the scope of such person's employment or duties for a charity whose fund is exempt from registration requirements under the Philanthropy Protection Act of 1995 PL 104-62. This exemption is available because all such persons are either volunteers or involved in the overall fundraising activities of a charitable organization and no such persons receive a commission or other special compensation based on the number or the value of donations collected for the fund.

EXPENSES OF THE FUND

Fees paid to outside investment managers and consultants, as well as transaction costs are charged against income of each sub-fund. Amounts charged by Barnabas Foundation are assessed to each individual account within the FUND to reimburse Barnabas Foundation for its asset management and administrative expenses. These reimbursements vary depending on account size. The current asset management expense reimbursement schedule is on the following page.

Asset Management Expense Reimbursement (AMR) Schedule

Type of Account	Account Balance		Annual AMR	Minimum AMR
	From	To		
Charitable Trust	\$	Any Amount	0.60%	\$ 800/yr
Gift Annuities	\$	Any Amount	1.00%	\$ 100/yr
Member Asset Management	First	\$ 2,000,000	0.40%	N/A
	Next	\$ 3,000,000	0.25%	N/A
	Amount Over	\$ 5,000,000	0.20%	N/A
Complex Gift AMR:				
Real Estate or other non-marketable asset gifts are charged a one-time AMR of 0.5% of the gift value upon liquidation of the asset (\$500 min) in addition to the standard account AMR above.				

For Charitable Trusts and Gift Annuities, there is an additional AMR of 0.50% when grantors recommend that less than 25% of their residual account balance benefit Barnabas Foundation member organizations.

For Gift Annuities only, there are additional charges assessed for the purpose of establishing a reserve fund to ensure all payments can be made on all Gift Annuities, regardless of investment performance and whether an annuitant lives beyond their life expectancy. First, at the funding of each Gift Annuity, a one-time charge equal to 0.50% of the funding amount is assessed.

Second, at the maturity of each Gift Annuity, a one-time charge is assessed based upon the ratio of the remaining assets for each individual Gift Annuity to the initial funding value of that Gift Annuity. This charge varies depending upon how “well” the Gift Annuity has performed. The schedule is outlined below:

Maturity Reserve AMR Assessed on % of Initial Funding Remaining at Maturity	Rate Applied to Initial Funding Value
Less than 50%	None
50% - 75%	1.00%
75% - 100%	2.50%
100%+	5.00%

LEGAL DISCLAIMER

Barnabas Foundation offers information for educational purposes only and does not provide tax, legal, or other professional counsel. You should seek the independent advice of your legal counsel or accountant to determine the consequences of your gift before entering into any gift arrangement discussed with a Barnabas Foundation representative.