

Committee for Socially Responsible Investing
Sept. 6-7, 2006 Meeting
Minutes

Present: Rev. Sheldon Bennett (UUMA Ministers Committee on Financial Education liaison), Tim Brennan (UUA Treasurer), Dan Brody (UUA Financial Advisor), Joan Cudhea, , Glenn Farley, Jim Gunning (Interfaith Center for Corporate Responsibility liaison); Vanessa Lowe, Stephanie Leighton (CSRI liaison to Investment Committee), Susan Leslie (staff liaison), Rev. Sydney Morris (Chair); Will Saunders (Board of Trustees liaison)

Wednesday, September 6th 2006

1. The meeting began with a welcome and check-in by members.

New member Glenn Farley was introduced. The Committee also noted that new UUA Treasurer Tim Brennan would be joining the meeting later after the Leadership Council budget meeting.

2. The Board charge to the CSRI was reviewed by the Committee along with the CSRI scope of authority articulated in the UUA SRI Guidelines.

3. A critical analysis of CSRI accomplishments was conducted and follows here:

- There has been a culture shift seen in:
 - Theological schools
 - More interest from congregations
 - General Assembly presence
 - Pension invested in SRI Funds
 - New Treasurer with SRI experience
 - Investment Committee (IC) participation
- Community investing policy adopted, written by Community Investing Working Group, adopted by the Board of Trustees 6/06
- Screening criteria & guidance – audit; beginning
- UUA leadership on non-discrimination re sexual orientation through shareholder advocacy
- Engagement of corporations in dialogue leading to change in behaviors, policies
- Interfaith collaboration especially through the Interfaith Center for Corporate Responsibility (ICCR)
- Coordination with other UU organizations – UU United Nations Office (UU UNO), UU Ministry for Earth, UUs for a Just Economic Community (UUJEC), International Council of UUs (ICUU)
- Continued and expanded outreach to congregations begun in 2001

- SRI options in pension funds (UU Ministers Association)
- New staff support from Office for Congregational Advocacy & Witness - Susan & Audra
- \$1 million in alternative/community invest
- Bring theology/philosophy of forebears, James Luther Adams, Homer Jack...Isaiah, Amos, Micah to grounding of UU faith in SRI
- Engage Fidelity regarding how they vote their proxies
- Board recognition of need for IC/CSRI collaboration
- ICCR dues now paid out of the General Investment Fund (not the CSRI budget) – institutional commitment

4. The work of last meeting in February& Current Status of projects was reviewed. The “To Do” list from February was reviewed and completed tasks and ongoing work were identified.

New Fall Teleconference Workshops and assignments were reviewed:

Oct. 7	Where is Your Congregation Along the Spectrum of Involvement? – <i>Joan Cudhea</i>
Oct. 14	Impact – Community Investing – <i>Vanessa Lowe & Joan Cudhea</i>
Oct. 21	Ideals – Investment Screening – <i>Stephanie Leighton</i>
Oct. 28	Involvement – Shareholder Activism – <i>Jim Gunning</i>
Nov. 4	IW Financial – A Screening Tool – <i>Sydney Morris & Joan Cudhea</i>

5. Review of 3-year goals.

6. Working Groups Process

Four Working Groups: Shareholder Advocacy, Education & Outreach, Assist & Advise UUA, Community Investing

From each Group:

Report

Whole-group feedback and brainstorming

Membership & resources for each working group

Each working group received roughly three-quarters of an hour of full committee time.

During these reports an ongoing list was generated of ideas and projects not currently covered by a working group.

a. Working Group Reports:

{INSERT -- Need these from Working Group Conveners}

b. New Working Group Membership assignments made:

Shareholder Advocacy: Jim Gunning (Convener), Sydney Morris, Glenn Farley, Tim Brennan, Susan Leslie

Education & Outreach: Sydney Morris (Convener), Stephanie Leighton, Susan Leslie

Assist & Advise UUA: Stephanie Leighton (Convener), Glenn Farley, Sydney Morris

Community Investing: Vanessa Lowe (Convener), Joan Cudhea, Sheldon Bennett

List of new and/or unassigned ideas and projects was generated, reviewed and assigned to Working Groups, CRSI, and Joint CSRI/IC. See below.

Shareholder Advocacy:

- Continue work with ICCR.
- Form new Working Group with new members Glenn Farley and Tim Brennan.
- Identify priority areas for action.

Education and Outreach:

- Match program education
- Outreach to other UU orgs: UUJEC, ICUU, UUMA, UU-UNO, UU Service Committee, theological schools, UUMFE
- Outreach to seminaries

Advise and Assist UUA:

- Dealing with gray area where praxis meets ideals (or strives to)
- Assessment & audit
- Develop indigenous rights screen
- Screen re-write – review Torgerson report
- Policy rewrite
- Fidelity

Community Investing:

New Policy:

- Liquidity
- Sources of \$
- Implementation – Responsibility is with Tim Brennan, Dan Brody, and Richard Crowell
- Explore alternative investments & normal banking functions

AA, E&O, SA: All have a role in proxies

Whole CSRI:

- Continuing education for CSRI
- Strategize with Vanessa re SRIR
- Receive CSR2
- Establish meeting dates – both committee of the whole and working groups
- Review GA plans
- Consider new name for SRI

- Check updated appendix to Audra
- Review committee environmental practices
- Update strategic plan

Joint IC/CSRI:

- Develop a GA track on "Justice & Money" in collaboration with Investment Committee
- Develop history of UU SRI
- Develop areas of collaboration
- Establish IC/CSRI protocols
- Board and GA resolutions
- Create list serve copy for both committees to receive monthly and quarterly holdings reports (Nancy Gladyszak)
- Meeting notification and agendas

c. Working Groups met and developed plans for coming year.

7. CSRI and IC members met with UUA JUUST Change Consultant Paula Cole-Jones to view the film "The Corporation".

Thursday, September 7th

1. Working Groups continued meeting for the first hour of the meeting and came back to Committee of the whole to report back.

Shareholder Advocacy:

ICCR has 9 Working Groups (health care, access to capital, HIV/AIDS, global warming, corporate governance, food and water rights, and others)

Out of these resolutions are written and corporations selected. Members then decide who will be primary filers and co-filers.

UUA needs to decide soon after the Sept. 19-21 ICCR meeting.

Sheldon, Sydney, Glenn, Vanessa and Joan are interested in participating in ICCR Working Groups.

Education & Outreach: - \$3,000 to develop publicity campaign and hire someone to work with committee on web, SRI-News, and marketing.

Sydney & Susan will develop.

Assist & Advise:

- Creating a joint letter for Board Report from IC & CSRI
- Review screens, integrate PAM suggestions.
- Will find out what percentage of GIF is being screened
- Build a case for screening out corporations rated at 3 and under.
- Consult with PAM re these lower rated corporations. (PAM report proposed screen out corporations at 6 and below – go back to PAM and analyze the gray areas).
- Work with PAM/IC on more positive screening.
- Look at green energy funds.
- Make the case for social managers.
- Goal – screen out anything under 4.0
- A&A will review and make recommendations
- Whole US Equity portfolio is fully screened.

Community Investment:

- Microfinance Summit in Halifax in November. Dorothy Emerson is attending and will report to CI Working Group.
- Review list of CD investments.
- Met with treasurer re support formerly provided by the Treasurer
- 1.17 million to achieve 1% community investment

[INSERT – Note: My notes above are sketchy. Need new plans from Working Groups]

2. Committee of the whole items followed:

- Review of GA -
- Environmental practices
- Updated Appendix of SRI Guidelines
- Continuing Education – CSR2 publication, SRI in the Rockies, other conferences

- Corporate governance resolution needs to be integrated into screens. Need to get Board approval. Get on January agenda.
 - CSRI needs to be in relationship with ISS – how they are voting – UUA concerns etc.
3. CSRI prepared for portion of meeting with Investment Committee. Items included:
- Introductory papers (mission, mandate, authority, scope)
 - Vision
 - Money and Justice track at GA
 - Protocols for IC/CSRI collaboration and relationship
4. CSRI met with new UUA Treasurer (and new CSRI Member) Tim Brennan.

Discussion included requests for information from Treasurer's Office to be provided to CSRI:

- Community Investment schedule
- Matching funds to congregations and districts
- Monthly NEPC Reports and UUA Quarterly Reports and reports of changes
- Manage ISS relationship.

Agreement that these will be sent to Susan Leslie, staff liaison, and distributed to A&A and CI Working Groups.

Additionally, Assistant to the Treasurer, will track shareholder advocacy filings and recruitment of volunteers to present resolutions at annual meetings.

5. CSRI had a working lunch with Investment committee. Two committees reported to each other the work of just-completed meetings
6. CSRI & IC participated in a 2 & ½ hour training with UUA anti-oppression anti-racism multicultural consultant Paula Cole Jones. [Handouts attached].
7. CSRI & IC then identified common areas of concern and work:
- a. Investment Selection: IC update, review status of Torgerson report, feedback from CSRI, plan for future collaboration & flow chart for future communication
- NEPC reports will be distributed to CSRI – any errors noted, questions etc. should be sent to Stephanie Leighton, Chair of A&A Working Group who will compile and bring to IC.
- b. Community Investment: CSRI/Treasurer update, feedback from IC, communication flow chart

c. Education & Outreach: GA Ideas update – GA track, “Money & Justice”; PR campaign (website, GIF investors’ letter, etc.); staffing needs; plan future collaboration & communication flow

GA Track: Money and Justice for 2008 to include:

- Theological Basis
- Practical Knowledge
- How Tos
- Case Studies
- Best Practices

Action Item: Sydney & Craig will contact GA Planning Committee.

d. Shareholder activism: Update, plan future communication flow.

Craig Scholl, IC Chair distributed:

- Initial marketing plan for the GIF to congregations
- Example of interfaith reports on their funds
- Explanatory summary of Rhumblin/UUA SRI Index Fund
- Tables of UUA GIF Analysis

Collective examination of our vision for shared work included:

- Model to be shared with congregations – using finances to promote social change
- Help congregations have the best possible investment program based on UU values
- GIF and its activities is the intersection between the committees
- Education re best practices and the GIF to congregations
- CSRI translates GA policies into UU values through the GIF
- Context of congregational polity and tension with that
- Both committees have an overarching commitment to maintaining and facilitating the health and vitality of UU congregations
- Health and vitality need to be defined as congregations that are accountable to marginalized peoples in our communities
- IC & CSRI need to be open and transparent about where we are going
- IC sometimes needs to “trade off” between UU values and financial health (by varying asset classes)
- Explore “the gray areas”
- Implementing positive screens
- Interviewing green funds
- Interview money managers
- Sound reasoning for all our investments
- Alignment of values with assets

- Align money managers with vision
- One sentence description of GIF needs to be developed
- Goal – A GIF to be proud of!
- Happy congregations!
- Two committees – use collective power to really promote SRI! When people think GIF they think SRI, they think 1% community and anti-racism work, they think shareholder advocacy and holding corporations accountable.

8. Joint Meeting dates were identified:

Next IC meetings are:

- Nov. 9, 2006.
- Feb. 15, 2007
- May 17, 2007
- Sept. 13, 2007
- Nov. 15, 2007

Some CSRI Advise & Assist Working Group members will attend.

Next CSRI Meeting and Joint CSRI/IC Meeting:

Sept. 12 - CSRI

Sept. 13 – CSRI & IC

CSRI will choose next meeting date, whole committee and working group monthly telephone meetings by e-mail.

Respectfully submitted,

Susan Leslie

Staff Liaison to CSRI