

UUA CSRI Committee on Socially Responsible Investing
Thursday Sept 8, 2011 Meeting
8:30am - 4:00pm Greeley Library 2nd floor of 25 Beacon

Where we have been *"The meaning of life is found only by those who enter into the struggle for justice in history."* – JLA (20th C. Unitarian theologian/ethicist James Luther Adams)

Reporting on a Fresh Approach to Socially Responsible Investing
June 15th, 2000 – All Present Read & Review

Where we are – *"Power is the ability to achieve purpose."* – Martin Luther King, Jr. (MLK)

Mandate & Mission

NEPC Report SRI is being heard in NEPC/IC meetings. – Tim & Julie

NEPC - Tim Brennan's idea is to get together with labor clients of NEPC and have a conversation with new CEO of NEPC, push for SRI research. Simon will help Tim in organizing/networking with labor. – Tim & Simon

Education & Outreach – David & Simon

Advise & Assist – Glenn & Julie

Where we are going – *"I am here and so are you. And we matter. We can change things."* – Ella Baker

New Social Research Firm – Tim Brennan

New members Report –

Art Stevens & Reggie Stanley from Calvert - Vanessa
Kimberly Gladman - Simon

Justice GA 2012 Phoenix – Vanessa & Marva; Simon & Tim

Mission?

Off the Cuff Thoughts on Future Critical Roles – Tim & Glenn

Feed info on SRI traditional & alternative investments to IC (success: Boston Common)

Keep eye on the ball (watchdog role) (success: collegiality IC/CSRI increased)

Community Investment expertise; (ongoing success, unique matching program)

Education & Outreach: ?? Expand Proxy Voting, Hire Professional

Closing

Celebration & Gratitude to Vanessa Lowe's tenure/accomplishments on the Committee

"Change will come. As always, it is just a matter of who determines what that change will be." -Winona LaDuke

Community Investing Addendum

Community Investing Portfolio Review

Tim will recall that we worked for several weeks with Kathryn Dion, formerly of the Investment committee, to develop a set of policies outlining how the CI would be included in the Common Endowment Fund. This came after our work on defining community investments. The final version of that policy is attached in an email from Tim dated 4/6/2007. Part of that policy said we would perform annual due diligence on the portfolio:

1.1. Annual Due Diligence

The UUA will annually commission a consultant to perform an evaluation of the GIF's CI investment portfolio and produce a report by September 30 at a cost not exceed 1% of the total dollar value of the GIF's Community Investments.

We haven't actually done that yet. Tim did some research into the cost of this w/ Calvert and the pricetag was quite high. I'd like to pick this up by posting a "Request for Proposals" on the community development banking listserv. I'm hoping this will give us a sense of the cost of this work and also provide a list of potential consultants Tim can then contract with when funds are available and staff has time. Please review the draft posting below for discussion on our call.

DRAFT POSTING:

UUA Seeks Contractor for CDFI Portfolio Review

Project Background and Description: The Unitarian Universalist Association (UUA) seeks an experienced CDFI specialist to perform a review of its Community Investing portfolio. The UUA is an association of more than 1,000 congregations from the US, Canada, and overseas. The UUA has been a trailblazer in its support and promotion of community investing among its member congregations. Through its ["Community Investing Match Program"](#) the UUA has built a portfolio of more than \$1 million of direct and matched investments with [approximately 25 CDFIs](#). Per UUA endowment policy guidelines, we seek to confirm the safety and soundness of these investments, and confirm and summarize the community development impact supported by these faith-based funds. The UUA offices and associated investment files are housed in Boston, MA. Below is a minimum scope of review expected: Sample Scope of Work for Annual CI Portfolio Ret Descdview

Contractor/Student will survey investees, interview organization leaders, review financial and other reports, and use both nonprofit and CDFI industry data (e.g. websites) to ascertain whether there have been any significant changes to the investee such the UUA should be concerned about the safety of its investment and ascertain the types of impacts the investee is having on its identified community.

Through document review and interviews, prepare summary for each institution to include the following areas:

- Management: Regulatory status, legal status and any major changes in management, including CEO or Executive Director, Chief Lending Officer, or Board Chair.
- Organization Status: Summary of any structural changes to the organization including whether the organization experienced or is exploring a merger or acquisition; details of any new affiliates or subsidiaries and their purpose.
- Financing Performance: Summary of major product offerings plus total loans/investments closed last year and cumulative since start of financing by product.
- Financial Health Summary: Review the most recently completed financial and annual reports plus other available information (e.g., Guidestar's 990 tax returns) to summarize the financial health of the organization.
- Other Info: Any other information that may be helpful in demonstrating organization's community development impact, financial growth, or other development that may not be addressed in factors above.

If interested please reply with a brief proposal including related experience summary, detailed cost proposal, timeframe and availability, and project outline and approach, no later than COB Friday, September 2, 2011. Reply directly to _____.

Vanessa L. Lowe, Chair Community Investing Working Group

UUA Committee on Socially Responsible Investing

Community Investment as Vehicle for Immigration Support

I had the pleasure of hanging out with Glenn a few weeks ago and we talked about how we might maintain our key presence at GA even though it's a "special" one in 2012. I proposed making an investment in the "Latino Credit Union" -- see details and profile below along w/ some key links. I think this would do 2 things -- 1) Give us a potential workshop -- "Supporting Immigrants through Community Investing" (or something like that). We'd invite a rep from the CU to talk about the CU and what they're doing on this front; and 2) Give us something concrete and topical to talk about at the GA plenary -- if they have one, not sure they will. Either way, I'm envisioning at least a nice photo op w/ us presenting one of those face big checks to them. Let me know your thoughts.

What Vanessa wrote to Glenn after our talk....

GA 2012 in Phoenix: I think we should definitely be planning to offer a workshop. The UUA website states "[Programming](#) and [action](#) will deal with immigration both specifically and in a broader context of human rights and justice." Here's a link to info about the Latino Credit Union I was telling you about. Includes a video w/ leaders giving background. They received a "National Award for Exceptional Immigrant Integration" from the National Center on Immigrant Integration Policy in 2010. See <http://www.migrationinformation.org/integrationawards/winners-LCCU.cfm>.

I just checked and see that we don't have any money in them yet. What do you think of making a direct investment in them in recognition of GA's goal. It would be a federally insured \$50,000 CD, for

example. A quick review of the public records shows they have pretty strong net worth at 10.24% and high loan demand -- Loans/Shares = 77%. I'm getting more excited about this as I write/research it. If you like the idea I'll follow up w/ Tim and Marva to discuss it as a promo/campaign for end of 2011 and 2012. If there is plenary time it would be a great thing to report at 2012 GA. Perhaps we'll also finally get something in the UU World ;)