

UUA Socially Responsible Investment Committee – Minutes

Conference Call

March 7, 2016

Members present: David Stewart, Chair, Tim Brennan, Vonda Brunsting, Kristin Faust, Kathy Mulvey, and Marva Williams

Members absent: Larry Ladd

Staff present: Susan Helbert

1. Minutes from meeting on November 19, 2015 – Stewart

Motion 1: To adopt minutes from November 19th meeting without amendment. Moved, Mulvey seconded, Faust, all approved.

2. General Assembly – Stewart

- Attending: Tim Brennan, Marva Williams, and David Stewart. Kathy Mulvey and Kristin Faust interested but cannot attend all days.
- Can cover costs through the committee's budget.
- President and Treasurer will be presenting an update at GA regarding the fossil fuel business resolution.

3. Israel/Palestine business resolution – Stewart

- Calls for us to divest and refrain from purchasing securities of five major corporations that directly profit from or support the occupation. Those five corporations are Caterpillar, Motorola Solutions, HP Inc., Hewlett Packard Enterprises, and G4S.
- Of the five, we never held two and the other three were/will be removed based on our new screening process.
- Would prefer the focus to be on human rights in general not just Israel/Palestine.
- Moderator, Jim Key, will be holding a plenary panel that will be conversational and educational to discuss the resolution.

Action item 1: David and Kathy to reach out to Jim Key to offer support and the idea that it become a human rights issue for all not limited to Israel/Palestine.

Action item 2: Brennan to contact our three US Equity managers to eliminate those companies.

4. Carbon foot printing – Brennan

- Walden Asset Mgmt. recently completed a carbon foot printing of their portfolio. Report shows, much more accurately, the impact of ones portfolio on climate change than simply looking at the CT200 companies. Focuses on greenhouse gas emissions from a portfolio and what that impact is on climate issues.
- Cost is \$5,000 for baseline and an additional \$2500 per manager, for those that can be analyzed, which would cover the stocks and bonds only or roughly 60% of the portfolio.

***Action item 3:** Brennan to check with NEPC to see if we could get the foot printing for free or at a discounted rate through their relationship with MSCI.*

Motion 2: To proceed with hiring a firm to complete a carbon footprint for applicable portion of the portfolio. Moved, Stewart seconded, Brunsting, all approved.

5. Screening – Brennan, Stewart

- Have been looking for a way to increase our human rights screening. Sustainalytics now has the tools to help us accomplish this.
- Can now identify companies that operate in conflict areas and put tighter criteria around their impact. Focus isn't limited to a particular country or region.

6. Investment Committee searches – Stewart, Brennan

- Searching for two new investment managers in international and US value.
- Will be interviewing Artisan Partners and Select Equity for international portion and, Diamond Hill and Wellington for US value.
- Some managers are SRI friendly and some not; none of the new managers would reduce current SRI portion of portfolio. Primary focus is return and secondary is SRI.

7. Discuss Ohio CDFI/Community investments – Faust/Williams

- Have identified two very good options for community investments in/around Columbus, OH. Economic and Community Development Institute (ECDI) and Education First Credit Union (EFCU).
- ECDI is headquartered in Columbus and are primarily a small business lending organization. Have about \$19 million in assets and have never lost any investor assets.

- EFCU is headquartered in Westerville, OH. Have about \$88 million in assets and is FDIC insured. Has a low-income designation from the Nation Credit Union Administration meaning that at least half of its members have income below the median. Offer financial education services for members.

Motion 3: To accept and fund both CDFI's identified and recommended in the Columbus, OH area at the level of \$35,000 for Education First Credit Union and \$40,000 for Economic and Community Development Institute (ECDI). Moved, Faust seconded, Brennan. All approved.

VOTED: That the Unitarian Universalist Association, on behalf of and for the benefit of the Unitarian Universalist Common Endowment Fund, LLC, invest \$35,000.00 of the assets of the UUCEF, LLC into Education First Credit Union and \$40,000.00 of the assets of the UUCEF, LLC into Economic and Community Development Institute on the terms set forth in the offering documentation therefore submitted by Education First Credit Union and Economic and Community Development Institute to Timothy Brennan, treasurer of the Unitarian Universalist Association, subject to such changes and amendments therein as he may determine to be appropriate; and

VOTED: To authorize the Treasurer, Timothy Brennan, and the Chief Operating Officer, Harlan Limpert, each individually, acting singly or together, to execute and deliver documents to effect the foregoing, all with such terms and conditions as are approved by the signatory, with such officer's signature being conclusive evidence of approval; and

VOTED: To ratify and approve all that the Treasurer, Timothy Brennan, has done or may do in connection with said investment.

Future Meeting Dates
May 12, 2016
November 16, 2016