



# UUCEF, LLC INVESTOR CALL, AUGUST 16, 2016 2:00 PM EDT

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Presenters:

Tim Brennan, UUA Treasurer and CFO

Kathleen Gaffney, Chair, UUA Investment Committee

David Stewart, Chair, UUA Socially Responsible Investing Committee and  
Member of the Investment Committee

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# Agenda

1. July performance review
2. Outlook/Expectations
3. August 10<sup>th</sup> Investment Committee meeting review
4. Questions and Answers

# UUCEF Gross Performance

<b>Period Ending</b>	<b>1 Month</b>	<b>YTD</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
31-May-16	0.4	1.5	-4.5	3.3	4.1	8.6	5.5
30-Jun-16	-0.8	0.7	-3.6	4.0	4.2	8.4	5.4
31-Jul-16	3.0	3.8	-0.8	4.0	4.8	8.0	5.7

## Unitarian Universalist Association

## Composite

## Net Performance Summary

As of July 31, 2016

	Market Value (\$)	% of Portfolio	Policy%	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Composite (Gross)</b>	<b>173,928,872</b>	<b>100.0</b>	<b>100.0</b>	<b>3.0</b>	<b>3.8</b>	<b>-0.8</b>	<b>4.0</b>	<b>4.8</b>	<b>8.0</b>	<b>5.7</b>	<b>6.8</b>	<b>Jul-02</b>
Allocation Index				2.8	5.4	1.5	4.9	5.0	7.2	5.4	6.5	Jul-02
Policy Index				2.8	5.2	1.5	5.0	5.3	7.4	4.9	--	Jul-02
<b>Composite (Net)</b>	<b>173,928,872</b>	<b>100.0</b>	<b>100.0</b>	<b>2.9</b>	<b>3.2</b>	<b>-1.9</b>	<b>3.0</b>	<b>3.8</b>	<b>6.9</b>	<b>4.6</b>	<b>5.7</b>	<b>Jul-02</b>
Allocation Index				2.8	5.4	1.5	4.9	5.0	7.2	5.4	6.5	Jul-02
Policy Index				2.8	5.2	1.5	5.0	5.3	7.4	4.9	--	Jul-02
<b>Domestic Equity Composite</b>	<b>49,400,538</b>	<b>28.4</b>	<b>29.0</b>	<b>5.2</b>	<b>3.6</b>	<b>-0.3</b>	<b>9.0</b>	<b>12.3</b>	<b>16.2</b>	<b>8.9</b>	<b>9.6</b>	<b>Jul-02</b>
Russell 3000				4.0	7.7	4.4	10.6	13.0	14.4	7.8	8.2	Jul-02
Rhumbline	20,122,225	11.6	10.5	3.2	10.5	7.9	9.2	12.4	13.8	6.8	6.6	Aug-05
Russell 1000 Value				2.9	9.4	5.4	9.0	12.7	13.7	6.2	6.7	Aug-05
Sands	18,592,739	10.7	10.5	7.3	-4.3	-4.5	9.5	12.9	18.2	11.3	10.5	Dec-03
Russell 1000 Growth				4.7	6.1	4.3	12.9	13.6	15.1	9.5	8.4	Dec-03
Pier Capital	7,296,371	4.2	4.0	6.5	4.2	-10.6	7.2	9.2	14.1	--	8.8	Apr-07
Russell 2000 Growth				6.5	4.8	-5.3	7.4	10.8	14.1	8.4	7.4	Apr-07
Wellington SMID	3,389,204	1.9	4.0	3.4	--	--	--	--	--	--	5.6	Apr-16
Russell 2500 Value				4.6	12.8	6.4	7.7	11.4	14.3	7.1	9.1	Apr-16
<b>International Equity Composite</b>	<b>39,125,952</b>	<b>22.5</b>	<b>25.0</b>	<b>3.8</b>	<b>3.3</b>	<b>-5.4</b>	<b>0.6</b>	<b>0.3</b>	<b>3.0</b>	<b>1.3</b>	<b>5.3</b>	<b>Jul-02</b>
MSCI ACWI ex USA				4.9	3.9	-5.5	1.3	1.4	4.7	2.3	6.3	Jul-02
MFS International Concentrated	12,261,219	7.0	7.0	4.8	-0.3	-7.5	1.2	--	--	--	2.3	Apr-13
MSCI EAFE				5.1	0.4	-7.5	2.0	3.0	5.4	2.0	3.1	Apr-13
Boston Common	12,251,678	7.0	7.0	4.0	1.3	-6.1	1.8	3.0	--	--	4.2	May-10
MSCI EAFE				5.1	0.4	-7.5	2.0	3.0	5.4	2.0	4.3	May-10
Baxter Street	4,135,097	2.4	5.0	4.4	--	--	--	--	--	--	3.4	Apr-16
MSCI ACWI ex USA				4.9	3.9	-5.5	1.3	1.4	4.7	2.3	4.3	Apr-16
RBC Global Emerging Equity	10,477,958	6.0	6.0	2.3	--	--	--	--	--	--	2.3	Jul-16
MSCI Emerging Markets				5.0	11.8	-0.7	-0.3	-2.7	2.9	3.9	5.0	Jul-16
<b>Fixed Income Composite</b>	<b>39,965,939</b>	<b>23.0</b>	<b>20.0</b>	<b>0.7</b>	<b>4.3</b>	<b>3.1</b>	<b>3.2</b>	<b>3.6</b>	<b>6.0</b>	<b>5.6</b>	<b>4.7</b>	<b>Jul-02</b>
Barclays Aggregate				0.6	6.0	5.9	4.2	3.6	4.4	5.1	4.8	Jul-02
Loomis Sayles Strategic Alpha	21,194,834	12.2	10.0	0.9	3.4	1.0	--	--	--	--	1.1	Aug-14
Barclays Aggregate				0.6	6.0	5.9	4.2	3.6	4.4	5.1	4.4	Aug-14
3-Month LIBOR + 3%				0.3	2.1	3.5	3.4	3.4	3.4	4.4	3.4	Aug-14
Breckinridge	8,823,508	5.1	5.0	0.3	4.1	4.8	--	--	--	--	3.7	Nov-14
Barclays Int Govt/Credit				0.3	4.4	4.3	2.9	2.7	3.6	4.4	3.2	Nov-14
IR&M SRI Core Bond Fund	9,947,597	5.7	5.0	0.6	6.3	5.9	--	--	--	--	3.7	Apr-15
Barclays Aggregate				0.6	6.0	5.9	4.2	3.6	4.4	5.1	3.6	Apr-15

## Unitarian Universalist Association

## Composite

## Net Performance Summary

As of July 31, 2016

	Market Value (\$)	% of Portfolio	Policy%	1 Mo (%)	YTD (%)	1Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>GTAA Composite</b>	<b>18,198,851</b>	<b>10.5</b>	<b>10.0</b>	<b>2.2</b>	<b>4.4</b>	<b>-1.5</b>	<b>2.4</b>	<b>3.3</b>	<b>6.1</b>	<b>--</b>	<b>4.2</b>	<b>Jan-08</b>
65% MSCI ACWI (Net) / 35% BC Agg				3.0	5.9	2.0	5.5	5.8	7.6	5.1	3.7	Jan-08
GMO Benchmark Free Allocation Fund	18,198,851	10.5	10.0	2.2	3.3	-1.5	1.4	3.2	5.4	--	3.7	Jan-08
65% MSCI World (Net) /35% BC Agg				3.0	5.4	2.0	5.9	6.6	8.1	5.2	4.0	Jan-08
<b>Hedge Fund Composite</b>	<b>12,204,400</b>	<b>7.0</b>	<b>10.0</b>	<b>4.3</b>	<b>1.5</b>	<b>-9.2</b>	<b>-0.8</b>	<b>0.9</b>	<b>3.9</b>	<b>--</b>	<b>3.9</b>	<b>Aug-09</b>
HFR I Fund of Funds Composite Index				1.3	-1.4	-4.4	2.0	1.8	2.7	1.7	2.7	Aug-09
Entrust Capital Diversified Fund	7,254,125	4.2	5.0	1.1	-2.3	-9.8	-1.0	0.7	3.8	--	3.8	Aug-09
HFR I Fund of Funds Composite Index				1.3	-1.4	-4.4	2.0	1.8	2.7	1.7	2.7	Aug-09
Cevian Capital II	4,950,275	2.8	3.0	9.4	7.7	-8.4	--	--	--	--	-7.6	Apr-15
HFRX Event Driven Index				2.4	5.7	-1.3	-0.5	1.4	2.2	1.1	-2.3	Apr-15
MSCI EAFE				5.1	0.4	-7.5	2.0	3.0	5.4	2.0	-3.8	Apr-15
<b>Private Markets/Oppportunistic</b>	<b>3,029,083</b>	<b>1.7</b>	<b>5.0</b>									
Private Markets Custom Benchmark												
FEG Private Opportunities Fund	1,532,119	0.9										
Private Equity Benchmark												
Brockton Capital Fund III	1,496,964	0.9										
NCREIF Property Index												
<b>Cash</b>	<b>10,394,470</b>	<b>6.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.4</b>	<b>-0.5</b>	<b>0.2</b>	<b>0.2</b>	<b>--</b>	<b>--</b>	<b>1.0</b>	<b>Dec-10</b>
91 Day T-Bills				0.0	0.2	0.2	0.1	0.1	0.1	0.9	0.1	Dec-10
<b>Community Development</b>	<b>1,609,640</b>	<b>0.9</b>	<b>1.0</b>	<b>0.1</b>	<b>0.6</b>	<b>1.0</b>	<b>1.0</b>	<b>1.3</b>	<b>1.5</b>	<b>--</b>	<b>1.8</b>	<b>Jul-07</b>
91 Day T-Bills				0.0	0.2	0.2	0.1	0.1	0.1	0.9	0.4	Jul-07

-Fiscal Year End: 6/30

-GMO Benchmark Free Allocation Fund from May 2013 onwards; prior to May 2013, returns are for the GMO Global Balanced Fund.

-Private Markets Custom Benchmark consists of Cambridge Associates US Private Equity Index prior to 4/1/2015 and Cambridge Associates Global All Private Equity Vintage Year 2013+ 1 Qtr Lag benchmark post 4/1/2015.

-Private equity is valued on a quarterly basis, and therefore performance is only shown at quarter end.

-Cash Market Value includes \$290,242 adjustment for pending capital additions into the UUA Endowment Fund.

# Fund Commentary

- After a rocky end to the second quarter, global equities bounced back in July and posted gains in most major markets.
- The Endowment had a strong July, returning +2.9% (net of fees) and outperforming both the Policy Index and Allocation Index.
- Fiscal Year End 2016 performance has lagged due to Active Managers in both Equity and Fixed Income portions of the Endowment.
- Several of the managers that were highlighted for generating weak performance during Q1 posted strong post Brexit returns in July.
- Our Large Cap Growth manager Sands remains a positive contributor of performance over both the 7 year and 10 year time periods.

# Investment Committee Meeting Highlights

- Overall performance was reviewed with a focus on two areas of particular interest: Hedge Funds and Fixed Income.
- Hedge Funds: The role of hedge funds in the UUA portfolio and potential approaches were presented and discussed. Hedge Funds can provide the benefits of diversification, better risk-adjusted returns and broader flexibility. The benefits come at a higher cost that has not yet been realized by the Endowment.
- The committee decided to eliminate our position in Entrust and to build in a more opportunistic approach to hedge funds within a traditional asset allocation and not set an allocation to the category.

# Investment Committee Meeting Highlights

## Continued

- Fixed Income: The structure of the Fixed Income allocation was discussed in light of the dual challenges of low rates and low returns. Our current allocation of 50% traditional core/50% opportunistic fixed income has not reduced overall volatility as would be expected historically.
- Private Equity has a unique role in the Endowment. It is designed to provide access to investments with moderate to higher return potential and align with the UUA's values and desire to own impact oriented strategies. Based on our discussion of the Private markets outlook and the potential opportunities we will narrow our focus on certain areas/funds over the coming quarter.



## ESG Integration and UUA Committee Structure

- The committee and our consultant discussed current best practices for the integration of ESG and the present dual committee structure.
- The importance of setting clear goals and objectives for the two committees was identified.
- The need for communicating both progress and evaluation of the ESG policy was acknowledged.
- Action will be taken to move towards a single Investment Policy Statement by reviewing a comparison of the two committees' policy statement

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## Capital Market Observations

- **US economic expansion continues as Federal Reserve begins policy shift**
  - Economic conditions and health of US consumers remain supportive for growth
  - US Corporate earnings quality has weakened under pressure from profit margin declines
- **Central Banks continue to dictate the global investment outlook**
  - Subdued market expectation of Fed action over next 36 months; a surprise Fed rate increase poses risk to both US equities and interest rates
  - ECB and BoJ likely to maintain and expand accommodative monetary policies
  - Easing in China is broadly stimulative in the near term but currency policy is unpredictable
- **Rise of political populism fuels equity and currency market uncertainty**
  - Populist movements are destabilizing for the established political and economic order posing a risk for the cohesion of the European Union and global trade relationships
  - However, elevated risk offers an opportunity should market sentiment be overly pessimistic
- **Large currency adjustments across most emerging countries have provided a foundation to support improved capital market returns**
  - Continued political and economic reform is needed across EM to stimulate economic growth
  - Chinese Yuan (RMB) depreciation has been incremental relative to other EM FX adjustments and fears of further adjustment remain an over-hanging concern
- **Embrace illiquidity in opportunistic credit and private credit strategies**
  - Stressed credit liquidity magnifies the scale of price movements in traditional credit assets
  - Credit markets ability to absorb an exodus from crowded positions is challenged



# 2014 Business Resolution

*“Cease purchasing securities of CT200 companies”*

**→ Done – instructions to managers**

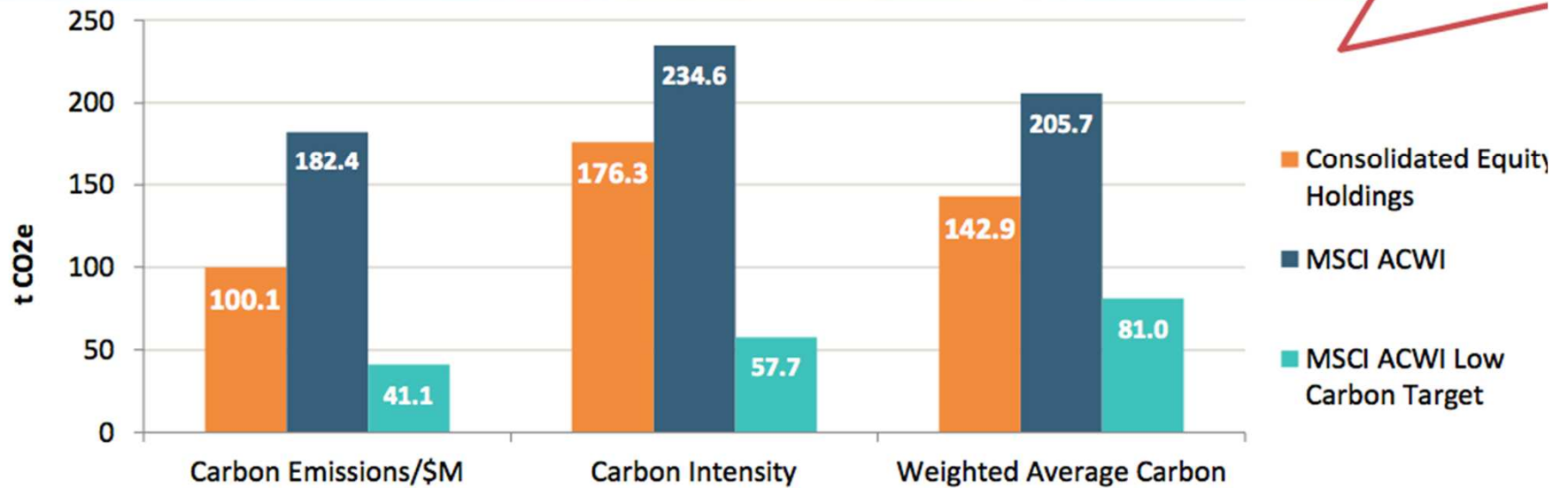
*“Divest its UUCEF holdings of **directly-held securities** of CT200 companies”*

<b>CT200 Holdings</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
As % of direct holdings	1.91%	2.65%	2.71%

# MSCI Carbon Footprint Analysis

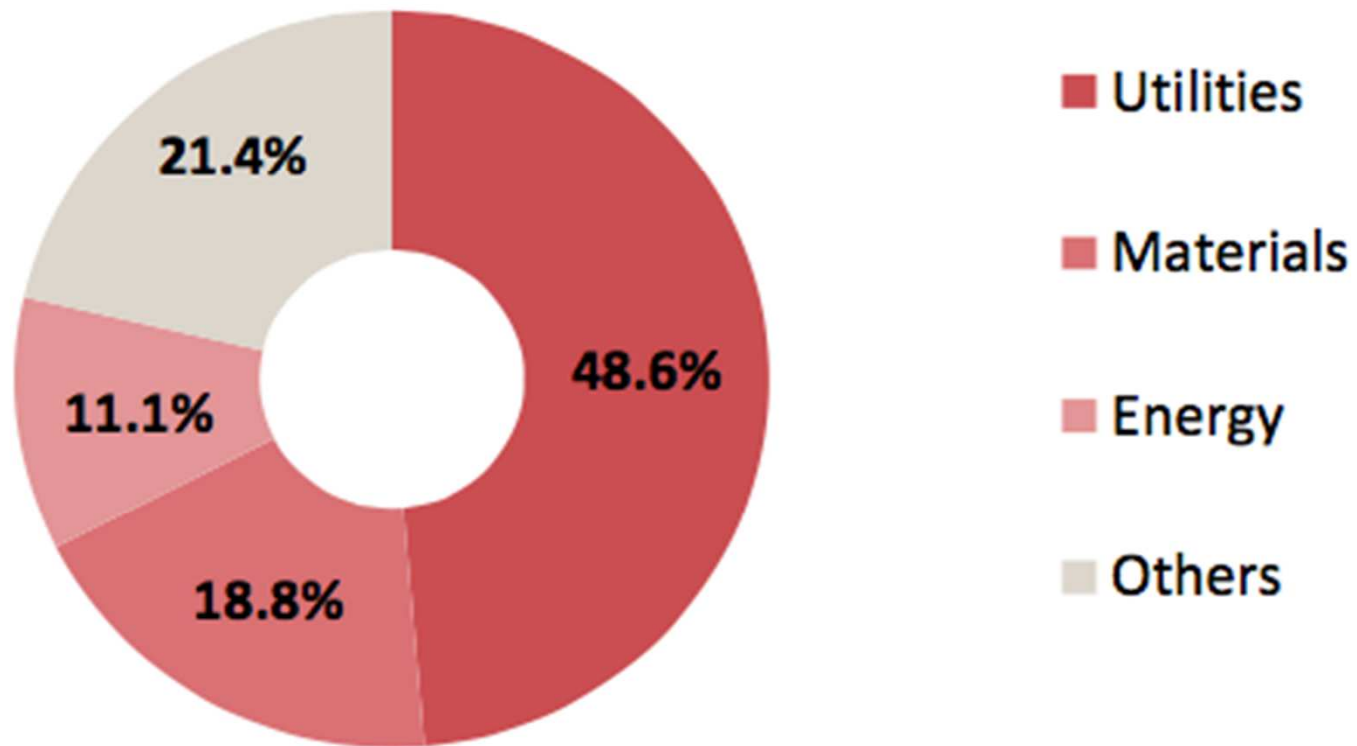
	Carbon emissions	Carbon intensity
UUA Portfolio	100.1	176.3
MSCI ACWI	182.4	234.6
MSCI Low Carbon target	41.1	57.7

The Consolidated Equity Holdings portfolio Carbon Emissions are 45.1% lower than the MSCI ACWI, Carbon Intensity is 24.9% lower, and Weighted Average Carbon Intensity is 30.5% lower. (Pages 3, 5 and 6)



# Utilities half of portfolio emissions

## Contribution to Carbon Emissions



# Supplemental Information

# UUA Manager Summary

- **Manager:** Rhumblin Custom Screened Russell 1000 Value
  - **Benchmark:** Russell 1000 Value
  - **Asset Class:** Large cap domestic equity - value
  - **Role in Portfolio:** Growth Assets
  - **Description:** The manager optimizes a portfolio of large cap value equities based on their Environmental, Social and Governance (“ESG”) ratings. The fund should have relatively low tracking error or variance from the benchmark as it is a largely passive investment.
- 
- **Manager:** Sands Select Growth Equity
  - **Benchmark:** Russell 1000 Growth
  - **Asset Class:** Large cap domestic equity - growth
  - **Role in Portfolio:** Growth Assets
  - **Description:** The manager uses a fundamental, bottom up research approach to stock investing. Their investment process produces a concentrated portfolio, aggressively seeking equities with high growth opportunities. The manager is currently restricted from investing in certain sectors and industries, including defense, fire arms, tobacco, and nuclear weapons. Also the manager cannot invest in companies that engage in predatory lending practices, have poor environmental practices, and companies that have questionable employment practices and possible human rights offenses.



# UUA Manager Summary

## Continued

- **Manager:** Pier Small Cap Equity Growth
  - **Benchmark:** Russell 2000 Growth
  - **Asset Class:** Small cap domestic equity - growth
  - **Role in Portfolio:** Growth Assets
  - **Description:** The strategy uses a bottom-up research process, which incorporates two quantitative screens, followed by fundamental analysis. The manager also screens out all securities that are restricted per UUA's direction. Pier looks to find companies with great products or services and identify them by the strength of their value proposition.
- 
- **Manager:** Wellington SMID Cap Value
  - **Benchmark:** Russell 2500 Value
  - **Asset Class:** SMID cap domestic equity – value
  - **Role in Portfolio:** Growth Assets
  - **Description:** Wellington has a bottom-up investment philosophy, believing that individual stock selection is the most predictable way to generate strong returns. The team has a contrarian value investment philosophy, seeking to buy high-quality companies at a discount. The portfolio holds 60-90 names and positions, which typically are initiated at 80 bps and range from 50 bps to 3.5%, depending on the team's conviction.

# UUA Manager Summary

## Continued

- **Manager:** MFS International Concentrated Equity
  - **Benchmark:** MSCI EAFE
  - **Asset Class:** Developed international equity - core
  - **Role in Portfolio:** Growth Assets
  - **Description:** The manager focuses on identifying companies with sustainable above- average growth and purchasing those companies at attractive valuations. The manager is a United Nations Principles for Responsible Investment (UNPRI) signatory and integrates their evaluation of a company's key ESG risks and opportunities into their overall security analysis to the extent they believe that such factors are material to and have an economic impact on shareholder value. The manager will invest between 5-10% in emerging markets.
- 
- **Manager:** Boston Common International Equity
  - **Benchmark:** MSCI EAFE
  - **Asset Class:** Developed international equity - core
  - **Role in Portfolio:** Growth Assets
  - **Description:** The fund seeks to outperform broad international equity markets while employing ESG screens. The fund employs positive ESG screens rather than negative screens and looks to identify progressive companies rather than defensive companies.

## UUA Manager Summary - Continued

- **Manager:** SEG Baxter Street Fund
  - **Benchmark:** MSCI ACWI ex USA
  - **Asset Class:** Developed international equity (mid/small cap focus)
  - **Role in Portfolio:** Growth Assets
  - **Description:** The Baxter Street Strategy is an international long only strategy that invests in companies across the market cap spectrum. The portfolio is benchmark agnostic and highly concentrated, with roughly 45 names in the portfolio, 15 of which will comprise almost 50% of the portfolio. SEG seeks to identify businesses with steady predictable growth, high returns on capital and well established barriers to competition. SEG does have the ability to opportunistically hedge currency exposure.
- 
- **Manager:** RBC Emerging Market Equity
  - **Benchmark:** MSCI Emerging Markets index
  - **Asset Class:** Emerging market equity
  - **Role in Portfolio:** Growth Assets
  - **Description:** RBC utilizes top down thematic thinking to influence the stock selection process into more attractive areas of the market. The strategy seeks to identify growth themes within country, industry, or region and will invest in those companies with high cash flow and industry dominance. The process of utilizes both bottom up and top down research to lead to a competitive advantage. The strategy is focused on identifying strong company managements especially those that have delivered in the past. Attractive companies are those that have strong franchises and a real sustainable competitive edge.

# UUA Manager Summary

## Continued

- **Manager:** Loomis Sayles Strategic Alpha Trust
- **Benchmark:** Barclays Aggregate
- **Asset Class:** Unconstrained Bonds
- **Role in Portfolio:** Absolute Return
- **Description:** Strategic Alpha is an opportunistic global fixed income strategy with flexible guidelines that invests across multiple fixed income sectors. The strategy seeks to take advantage of short-term tactical opportunities and longer-term structural opportunities within the broad fixed income market. The Loomis Sayles Strategic Alpha Trust strategy takes on active long/short exposures to global yield curves, credit, and currencies with extensive tail-risk hedges. The strategy also has the ability to shift duration, ranging from -2 years to +5 years.
  
- **Manager:** Breckinridge Capital Advisors Sustainable Fixed Income
- **Benchmark:** Barclays Gov' t/Credit Intermediate
- **Asset Class:** Domestic fixed income
- **Role in Portfolio:** Deflation hedging assets
- **Description:** Sustainable fixed income is a high quality, intermediate term fixed income strategy that incorporates both fundamental credit analysis as well as ESG analysis into the decision making process. The strategy will invest across the corporate, taxable municipal, US gov' t/agency and supranational sectors. Breckinridge will analyze ESG data in an effort to identify investments they feel are well suited to meet future obstacles. Additionally, the strategy will adhere to specific sector and security restrictions set forth by UUA in an effort to align the portfolios strategy with the mission and values of the organization.

## UUA Manager Summary -Continued

- **Manager:** IR&M SRI Core Bond
- **Benchmark:** Barclays Aggregate
- **Asset Class:** Domestic Fixed Income
- **Role in Portfolio:** Deflation hedging assets
- **Description:** IR+M exploits overlooked opportunities in small, complex and often less-liquid bond sub-sectors, and structures portfolios to benefit from an income bias and positive convexity. Their expected alpha is sourced in their understanding and ability to identify the mispricing of esoteric securities such as put bonds, pre-payable CMBS bonds, hybrid ARMS, municipals, century bonds and convertible bonds. The strategy will only invest in securities whose activities are in line with IR&M's social criteria. Social criteria includes; not investing in securities that generate more than 10% of their revenue from alcohol, tobacco, gambling, weapons and adult entertainment. Additionally, no investments will be made in securities of issues who participate in in the healthcare sector/related industries or to be engaged in certain business activities in the Republic of the Sudan, as determined by IR&M.
- **Manager:** GMO Benchmark Free Allocation Fund
- **Benchmark:** 65% MSCI World and 35% BC Aggregate
- **Asset Class:** Global asset allocation
- **Role in Portfolio:** Growth assets (with some inflation & deflation hedging assets)
- **Description:** The manager has the ability to invest in both equities and fixed income, and tactically shift allocations as opportunities present themselves. The fund is managed by a team, where quantitative forecasts identify opportunities for high real returns across capital markets Overweight's to attractive asset classes and underweights to less attractive asset classes are driven entirely by the judgment of the asset allocation team with positions generally scaled to reflect the magnitude of mispricing.

# UUA Manager Summary

## Continued

- **Manager:** Entrust Capital Diversified Fund
  - **Benchmark:** HFRI Fund of Funds Composite index
  - **Asset Class:** Hedge funds
  - **Role in Portfolio:** Growth assets
  - **Description:** The manager invests primarily in event-driven, directional-credit, activist, and equity long/short strategies in blue chip, brand name hedge managers while providing investors with a high amount of transparency into the underlying investments.
- 
- **Manager:** Cevian Capital II
  - **Benchmark:** HFRX Event Driven Index
  - **Asset Class:** Hedge funds
  - **Role in Portfolio:** Growth assets
  - **Description:** Cevian Capital II is a concentrated activist hedge fund that hedges currency exposure and will invests in mid to large cap companies listed in the Nordic region [Sweden, Finland, Denmark, and Norway], UK, and other western parts of Europe. Their strategy is to target undervalued companies, where the perceived undervaluation stems from mismanaged operations, inefficient capital structure, and/or poor corporate governance structure. Cevian quantifies 'value' in terms of the company's enterprise value, operating margins, corporate governance, or equity value. The fund tries to improve this value by targeting those specific areas of weaknesses.

# UUA Manager Summary

## Continued

- **Manager:** Brockton Capital Fund III
- **Benchmark:** NCREIF Property Index
- **Asset Class:** Private Markets/Opportunistic
- **Role in Portfolio:** Growth assets
- **Description:** Brockton Capital Fund III will follow a value-add/opportunistic strategy of buying distressed or neglected assets, repositioning them and, once stabilized, selling them in the institutional market. They will invest across various asset types, including office, residential, industrial, retail, mixed use, and other specialty real estate (for example, senior housing). Brockton invests across the United Kingdom although, due to the dominant market size of the South East, has a focus on Greater London and the surrounding areas.

## Fund oversight

- UUA Board of Trustees – ultimate fiduciaries
- Investment Committee – includes investment professionals
- Socially Responsible Investing Committee
- UUA Treasurer – management, rebalancing
- Investment consultant – NEPC
- SRI analyst – Sustainalytics
- Specialized investment managers
- Custodian – State Street Bank
- Reporting – HWA International
- Auditors – CBIZ Tofias/Mayer, Hoffman, McCann



## Investment objective

With the guiding lens of Unitarian Universalist values and principles, strive to achieve consistent returns within a moderate risk tolerance over the long term, sufficient to allow Congregations to take regular distributions and maintain the value of principal after adjustment for inflation and after all expenses.

## UU Common Endowment Fund

### Key Characteristics

- Long-term investment fund
- Diversified portfolio
- Managed by specialist professional investment managers
- Managed to reflect UU values while achieving financial goals – “Risk, Return, Justice”
- Open to congregations, districts, and other UU organizations

## Portfolio Diversification

### Across Asset Classes:

- Domestic equities: large cap, small cap, growth, value
- International equities: developed, emerging
- Fixed income: domestic core plus, high yield, global sovereigns, opportunistic
- Global asset allocation funds
- Fund of hedge funds

## Asset Allocation Targets

<i>Asset Class</i>	<i>Target Allocation</i>
Domestic equity	29%
International equity	25%
Fixed income	20%
Global asset allocation	10%
Fund of hedge funds	10%
Private Markets	5%
Community investments	1%
Cash	0%

# Responsible Committees

## Investment Committee

- Kathleen Gaffney, Chair
- Robert Friedman
- John LaPann
- David Stewart
- Tim Brennan, Treasurer
- Lucia Santini, Financial Advisor

## SRI Committee

- David Stewart, Co-Chair
- Kathy Mulvey, Co-Chair
- Vonda Brunsting
- Kristin Faust
- Marva Williams
- Tim Brennan, Treasurer
- Lucia Santini, Financial Advisor

*See Investment Information Memorandum for background information.*

# Contact Information

For specific questions about the UUCEF please contact:

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