

Investment Committee Meeting

Minutes

February 13, 2008

Rice Room

Boston, Massachusetts

Members Present: Jim Sherblom, (Chair), Tim Brennan, Dan Brody, Katherine Dion, Arnold Bradburd, Jo Ann Corkran, Will Saunders

Also Present: Cathy Konicki (NEPC), Scott Driscoll (NEPC), Jim Gunning (UUA CSRI), Sydney Morris (UUA CSRI Co-Chair), Vanessa Lowe (UUA CSRI Co-Chair), David Sammons (UUA CSRI) Glenn Farley (UUA CSRI), Sheldon Bennett (UUA CSRI), Nancy Gladyszak- Underhill, (UUA Staff) Rachel Daugherty (UUA staff),

1. **Minutes Approved**

Motion 1: Sherblom moved to approve the November 15, 2007 minutes. Brennan seconded. Motion passed.

2. **AAM Workshop Report**

Lowe gave a report on a Spirit in Action Workshop she attended. The workshop focused on 4 areas:

1. Connecting with the Spirit
2. Healing from divisions
3. Envisioning a Positive Future
4. Act for Deep and Lasting Change

The workshop was a great success and very enlightening.

3. **Investment Guidelines and SRI Guidelines**

Brody reported that the Board of Trustees approved the revised Investment Policy at its January 2008 meeting. Brennan distributed the latest draft of the Investment Guidelines and asked the committee to comment of the highlighted issues.

Action Item 1: NEPC will review the Investment Guidelines and provide suggestions and comments via email to Brennan.

Action Item 2: After obtaining the Investment Guidelines edits from NEPC, Corkran will review Investment Guidelines for further edits and email changes to Brennan.

Action Item 3: Brennan will send draft of Investment Guidelines to the committee that includes NEPC and Corkran's edits, with the intention of obtaining the committee's final approval via email.

Morris distributed Draft 5 of the Socially Responsible Investing Guidelines to both committees for review and comment. Morris also distributed Draft 3 of the Stewardship of Financial resources document. Both committees agreed that this document will not be included in the legal documents.

4. GIF Performance Review- Fourth Quarter 07

Konicki and Driscoll reported on fund performance. Results are slightly positive while the market environment continues to be challenging.

5. Custom SRI Index Manager Presentation

Rhumblin Advisors was invited to present to the committee. Discussion and Q&A revolved around the SRI ranking and scoring processes as well as the current benchmark (S&P500) that is used by Rhumblin.

Motion 2: Corkran moved to change the benchmark for Rhumblin Advisors SRI Index portfolio to the Russell 1000 Value benchmark. Motion passed.

6. Reporting and Disclosure Policies

Brennan reviewed the information that requires disclosure in the GIF Investment Information Memorandum and asked the committee to review its policies regarding disclosure and transparency. The committee agreed to continue to post the minutes. The committee also agreed to replace the policy index benchmark on the web performance summary with a 60/40 S&P /Lehman Aggregate benchmark.

7. Systems and Accounting Review

Brennan reported that the UUA has engaged consultants to conduct a process review of the GIF accounting and systems. The expected results of the review should propose new standards and processes. The committee agreed that periodic review is appropriate.

Action Item 4: Brennan and Gladyszak will review the various options proposed by the committee with the custodian bank regarding the logistics and implementation.

8. Items for Future Meetings

The agenda for the May meeting will include adding at least one 2009 meeting date. The committee hopes to invite the GMO Global Bond Manager and Relational Investors for presentations.

9. Future Meeting Dates

The meeting dates proposed for 2008 are:

- Thursday July 17, 2008
- Thursday September 16, 2008
- Thursday November 13, 2008
- Thursday February 19, 2009