

Committee Charges

Charge to the Investment Committee

The Committee has responsibility for the following with respect to investment policy:

1. Initiate, secure approval, interpret and implement overall investment policy, including performance objectives.
2. Oversee the asset allocation of the funds to ensure adherence to guidelines.
3. Establish guidelines for rebalancing asset classes and manager allocation.
4. Hire an investment consultant, if desired, or terminate the services of an investment consultant.
5. Appoint one or more qualified investment managers and delegate to such investment managers the responsibility for implementing investment policy.
6. Take its direction from the Board of Trustees and work with the Committee on Socially Responsible Investing (CSRI) to develop standards and implement practices designed to achieve and maintain the Association's leadership position in the socially responsible investing movement.
7. Review the performance of the investment manager(s) to assure that objectives are being met, and that guidelines and procedures are being followed.
8. Take appropriate action if objectives are not being met and if guidelines and procedures are not being followed.
9. Report regularly to the Board of Trustees on all relevant matters, including investment performance.

AUDIT COMMITTEE CHARTER

[Approved by the Audit Committee on May 2, 2011]

[Voted by the Board of Trustees on November 17, 2011]

PURPOSE

To assist the Board of Trustees in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance with laws, regulations, and the code of ethics.

AUTHORITY

The Board of Trustees of the Unitarian Universalist Association established the Audit Committee at its April 26-27, 2003 meeting.

The 2006 General Assembly established the Audit Committee as a Committee of the Board of Trustees by adding Sections 7.14 and 10.13 to the UUA Bylaws.

The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Pre-approve all audit and nonaudit services.
- Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation.
- Seek any information it requires from employees — all of whom are directed to cooperate with the committee's requests — or external parties.
- Meet with the organization's officers, external auditors, or outside counsel as necessary.

COMPOSITION

The composition of the Audit Committee is set forth in Section 7.14 of the UUA Bylaws:

The Audit Committee shall consist of five members as follows:

1. three persons appointed by the Board, none of whom are members of the Board or hold a salaried position with the Association;
2. the Financial Advisor; and
3. a member of the Finance Committee, who shall be appointed by the Board.

No member of the Audit Committee shall serve for more than four terms on the Audit Committee.

The chair of the committee shall be selected by the Board of Trustees. Except under unusual circumstances, the chair shall be chosen from among the three independent members.

Each independent audit committee member shall be financially literate. The committee shall designate at least one member as the "financial expert," as defined by applicable legislation, regulation, and best practices.

MEETINGS

The committee shall meet at least three times a year. The chair may convene additional meetings as circumstances require. All committee members are expected to attend each meeting, in person or via teleconference or videoconference. The committee shall invite members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. It shall hold private meetings with auditors (see below) and executive sessions. Meeting agendas shall be prepared and provided in advance to members, along with appropriate briefing materials. Minutes shall be prepared and published in a timely manner.

RESPONSIBILITIES

The duties of the Audit Committee are set forth in Article X, Section 10.13 of the UUA Bylaws:

The Audit Committee shall oversee the annual audit of the financial statements of the Association by an independent certified public accounting firm and monitor the establishment and implementation of accounting policies and internal controls. Specific duties of the Audit Committee shall be set forth in a charter adopted by the Board which may be amended by the Board from time to time.

The Audit Committee shall carry out the following responsibilities to accomplish its charge:

Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Resolve any disagreements between management and auditor regarding financial reporting.
- Review the annual financial statements and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- Review with management and the external auditors all matters required to be communicated to the audit committee under generally accepted auditing standards.

Internal Control

- Consider the effectiveness of the Association's internal control system, including information technology security and control.
- Understand the scope of the external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

External Audit

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with management.
- Review any significant changes to the auditors' work plan as initially approved by the committee.
- Review the performance of the external auditors, and make recommendations to the Board of Trustees concerning the appointment, compensation, and discharge of the auditors.
- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Association, including non-audit services, and discussing the relationships with the auditors.
- Meet at least annually in executive session with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- Review the auditors' independent qualitative judgments about the appropriateness, not just the acceptability, of the accounting principles and the clarity of the financial disclosure practices used or proposed to be adopted by the UUA.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Ensure that improprieties or potential improprieties in the UUA's operations are investigated and resolved.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Obtain the advice of outside professionals (including but not limited to retention of special legal counsel) to advise the committee on matters within the scope of its charge.
- Seek any information it requires from external parties or Association employees, all of whom are directed to cooperate with the committee's requests.
- Designate a committee member to review the president's travel and expense reimbursement reports at least semi-annually.

Reporting

- Regularly report to the Board of Trustees about committee activities, issues, and recommendations.
- Carry out its responsibilities to report to the Board of Trustees the results of the annual financial statement audit, as required by Section 3.2.5 of the Board's Governance Policy Manual:
- Upon completion of the audit, the Board will meet with the chair of the Audit Committee to receive a report that discusses the audit and the auditors' management letter. Prior to this meeting, the Audit Committee will provide the Board with a written report, for publication on the UUA website, containing the key findings of the audit, including any finding of a serious accounting or management weakness.
- Meet at least annually with the Executive Vice President, the Treasurer and Chief Financial Officer, and other staff as appropriate to discuss any issues arising from the committee's responsibilities, including management's evaluation of the work performed by the independent public accountants or other external advisors.
- Meet at least twice annually with the independent public accountants to discuss any issues arising from the committee's responsibilities. The committee may request the presence of members of management or others to attend meetings and provide pertinent information as necessary.
- Provide an open avenue of communication between the external auditors and the Board of Trustees.
- Report annually to the member congregations, describing the committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.
- Review any other reports the Association issues that relate to committee responsibilities.
- Recommend to the Board of Trustees changes in governance, risk management, and compliance processes, structures, policies, or procedures that would minimize risk to the Association.

Other Responsibilities

- Perform other activities related to this charter as requested by the board of trustees.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the audit committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Evaluate the audit committee's and individual members' performance on a regular basis.
- Recommend to the Board of Trustees the following policies for all staff and volunteers, recommend changes as needed, and ensure the UUA's adoption of and compliance with the policies:
 - o A Conflict of Interest Policy
 - o A Code of Ethical Conduct

- o A Whistleblower Policy
- Assist the Trustees of the UUA Employee Benefits Trust (EBT) in the following ways:
 - o Recommend the selection of an auditing firm
 - o Review the EBT audit and make comments and recommendations to the UUA Board of Trustees and to the EBT Trustees
 - o Respond to requests from the EBT Trustees or the EBT Trust Committee for assistance on financial, operational, or other issues

Charge to the Appointments Committee

A. Responsibilities

1. Not later than April 1st of each year, to forward to the Board the name of an individual recommended for each upcoming appointment to a committee or similar body for which the Board has appointment authority, including the following:
 - a. Committees of the Association and Committees of the Board, as specified in the Bylaws or Rules of the Association
 - b. Committees of the Board, as specified in Section 3 of the Policy Governance Manual
 - c. The Trustees of the UUA Employee Benefits Trust
2. Notwithstanding Policy 3.8.3.A.1, the Appointments Committee shall have no responsibility to make recommendations which the Board has delegated to the President under Policy 4.3.
3. Not later than 45 days after a vacancy occurs in any appointed position, as listed in the preceding subsection, to recommend to the Board an individual for appointment to fill the vacancy.
4. Not later than 45 days after a vacancy occurs in a trustee position, the Youth Observer, or an elected position on a committee, to recommend to the Board an individual for appointment to fill the vacancy.
5. Not later than 60 days after a vacancy occurs in an elected officer's position, to recommend to the Board two or more individuals for appointment to fill the vacancy.
6. To make recommendations for appointments to task forces and other ad hoc groups, as directed by the Board.

B. Considerations in Making Recommendations

1. The committee shall endeavor to recommend individuals so that the membership of committees and task forces reflects the full diversity of the Association, especially in regard to historically marginalized communities, but also balancing amongst size of congregation, lay and ordained, geography, age (including youth and young adults), and gender, among others. The committee shall consult with groups and organizations, including those traditionally underrepresented in Unitarian Universalist leadership, to help inform the appointment process.
2. The committee shall consult with the Moderator, the Financial Advisor, the Treasurer, and any Trustee who serves on a committee prior to making recommendations for committees on which they serve.
3. The committee shall collaborate with the Nominating Committee to develop systems and processes for recruiting, selecting, and training appointees and candidates.
4. The committee shall assist in providing training, support, and monitoring to further the work of other committees.

C. Appointment and Terms

1. The committee shall have seven members.
2. The Board shall appoint a Trustee to serve as liaison to the committee. The liaison shall participate in all committee meetings at which recommendations are made.

Charge to the Committee on Socially Responsible Investing

A. Mission and Responsibilities

The committee's mission is to uphold the Unitarian Universalist Association's (UUA's) commitment to invest its endowment funds in alignment with Unitarian Universalist (UU) values. The committee's specific responsibilities are as follows:

1. To advise the UU Common Endowment Fund (UUCEF) Investment Committee on investment policy issues, with particular regard to stock screening and manager selection
2. To assist the UUA staff with community investment, shareholder advocacy, and educating UU congregations on socially responsible investment
3. To advise the UUA Board on needed changes in the UUCEF's governing documents, and to report to the UUA Board on the UUCEF's success in meeting its socially responsible investment objectives
4. To carry out any other responsibilities stated in the UUCEF bylaws.

B. Appointment and Terms

The committee shall have seven members, as follows:

1. Four individuals with expertise in socially responsible investment, at least one of whom shall have expertise in shareholder advocacy, and at least one of whom shall have expertise in community investment.
2. One individual who has experience with endowment management in an organization that invests in the UUCEF, and who has knowledge of UUA priorities, programs, and communities, as well as of socially responsible investment practices. The UUA Board shall appoint this individual to also serve as a member of the UUCEF Investment Committee.
3. The Treasurer

4. The Financial Advisor

The Treasurer and the Financial Advisor shall serve on the committee as long as they hold office. The other members of the committee shall serve for terms of two years and until their successors are appointed and qualified, subject to a limit of eight years of service.

Abstract from the Minutes of the UUA Board of Trustees Meeting of April 21-22, 2001

The Committee will:

- Maintain and assist with implementation of SRI policies and practices with respect to funds over which the Trustees have responsibility (including alternative and community development investments) that reflect UU values, especially as expressed by the GA resolutions and Statements of Immediate Witness, Board resolutions and UU Principles and Purposes.
- Assist the Investment Committee in the implementation of the UUA's SRI responsibilities as set forth in the Investment Guidelines adopted by the Board and amended from time to time.
- Utilize shareholder activism to express UU values to the corporations in which our funds are invested, including dialogues with corporate managers, proxy voting, and filling resolutions on specific issues.
- Broaden coalitions with other [like-minded faith-based organizations](#), coordinating with the Washington Office, the Office of Public Witness, and other UUA departments and constituencies, as appropriate.
- Communicate SRI policies and activities to the Board, staff, member congregations, and other constituencies. Expand services to the member congregations and individual UUs with respect to the implementation of SRI programs and establishment of more powerful coalitions in pursuit of shareholder activism and positive social change.
- Develop an ongoing process of assessment and audit of the effectiveness of the SRI policies and practices.

Charge to the Retirement Planning Committee

A. Responsibilities

- i. To serve as fiduciaries for the Unitarian Universalist (UU) Organizations Retirement Plan, and
- ii. To serve as the committee referenced in Article 7 of the document governing the UU Organizations Retirement Plan, including making recommendations to the Board regarding:
 - a. the UU Organizations Retirement Plan Document
 - b. the Retirement Plan Investment Policy
 - c. the investment line-up offered by the retirement plan
 - d. the companies serving as record keeper and investment advisor, and
 - e. other issues related to the UU Organizations Retirement plan.

B. Appointment and Terms

The committee shall have seven members, as follows:

- i. Three individuals with expertise in retirement plan management, mutual funds, investment management, or related fields
- ii. One individual who is a religious professional serving a UUA member congregation
- iii. One individual who is a retirement plan participant who is either a retiree or the partner/spouse of a retiree
- iv. The Treasurer

v. The Financial Advisor

Except for the Treasurer and the Financial Advisor, who shall serve on the committee as long as they hold office, committee members shall serve for not more than four consecutive terms of two years each.

C. **Meetings**

The committee is expected to meet three to four times annually. Meetings may occur by phone.

Charge to the UUA Health Plan Trustees

Established by Unitarian Universalist Association (UUA) Board of Trustees, October 22, 2006

Charge adopted: March 20, 2007

Charge

The Health Plan Trust was established by vote of the UUA Board of Trustees on October 22, 2006, for the purpose of operating a self-funded health insurance plan for the staffs of Unitarian Universalist (UU) congregations, the UUA headquarters and field staffs, plus other eligible persons.

Initial Action

On October 22, 2006, UUA Treasurer Tim Brennan was appointed as temporary Trustee and empowered to sign documents with Highmark Blue Cross Blue Shield, open bank accounts, and take other actions necessary for implementation of the Plan on January 1, 2007.

The Health Plan Trust will have seven Trustees: the UUA Treasurer and UUA Financial Advisor; and five regular trustees appointed by the UUA Board of Trustees.

Responsibilities

The responsibilities of the Health Plan Trustees are to make policy decisions for the Health Plan and provide oversight of Plan activities, including

- determining the third party administrator and other vendors that will work for or support the Plan on a fee for service basis
- approving contracts with vendors that are signed by the UUA Treasurer in his/her capacity as a Health Plan Trustee
- assuring that the Health Plan Director and other persons hired for administrative purposes carry out their duties in a professional manner
- approving any changes in benefits or rates proposed by the Health Plan Director
- undertaking periodic reviews of the Plan's financial performance, funding safeguards, and stop-loss insurance protection
- providing timely reports to the UUA Board of Trustees on the numbers of enrollees, claims experience, and the financial condition of the Plan
- authorizing a claims review committee (which may include Plan Trustees) for purposes of reviewing and authorizing or denying payment of claims that have been initially denied by the third party administrator

- assuring that funds collected by the Trust for the payment of claims, insurance premiums, administrative expenses, and other bona fide expenses are not co-mingled with operating funds of the UUA
- authorizing reimbursement from the Plan to the UUA for expenses which it incurs in administering the Plan including but not limited to payroll and expenses of the Director and/or other UUA staff whose work is dedicated to Plan activities

Membership

Seven individuals appointed by the UUA Board of Trustees, who shall meet as necessary, but no less than annually, and who shall include:

- The UUA Treasurer
- The UUA Financial Advisor
- Five other persons, each of whom shall be a member of a UU congregation

Term: For regular members, two years, normally beginning January 1, with reappointment allowed three times for a maximum of eight years. The Treasurer and Financial Advisor serve ex officio.

Qualifications: Experience in insurance and/or other financial, human resources, or health-related professions that will contribute to an informed background

Charge to the Council on Cross-Cultural Engagement

A. Responsibilities

1. Provide linkage to our member congregations by engaging representatives of Unitarian Universalist (UU) professional and identity-based organizations in conversation about successes and struggles in cross-cultural engagement;
2. Provide linkage to the heritage, traditions and ideals of Unitarian Universalism by convening dialogue about the ways in which we seek to model right relationship in our congregational and associational life; and
3. Provide linkage to our vision of the Beloved Community by engaging in an open-ended conversation about the ways in which cross-cultural engagement (including a vision of anti-racism, anti-oppression and multiculturalism) is incorporated into the workings of our congregations, assemblies and related organizations.

B. Membership

1. The council shall consist of the Moderator, a Board member, and representatives of professional and identity-based organizations and groups whose charge relates to the governance of our Association, including, but not limited to:
 - a. Diverse Revolutionary Unitarian Universalist Multicultural Ministries (DRUUMM)
 - b. Allies for Racial Equity (ARE)
 - c. Unitarian Universalist Musicians Network (UUMN)
 - d. Liberal Religious Educators Association (LREDA)
 - e. Unitarian Universalist Ministers Association (UUMA)
 - f. General Assembly Planning Committee (GAPC)

2. Organizational representatives shall be appointed by their respective organizations and are expected to maintain accountable relationship with their organization for the duration of their membership on the Council.

C. Meetings

1. The Council shall meet in person at least once per year, and convene electronically between meetings.