

To: UUA Board

From: David Stewart, Co-Financial Advisor and Board Liaison to the Audit Committee

Date: February 12, 2024

Re: Transmittal of Fiscal Year 2023 Independent Auditors' Reports for Board Acceptance

- Included with this transmittal are two documents:
 - Consolidated Financial Statements and Supplemental Schedules of the Unitarian Universalist Association and Subsidiary¹ (UUA), June 30, 2023 and 2022
 - Financial Statements of the Unitarian Universalist Association Common Endowment Fund LLC (UUCEF), June 30, 2023 and 2022
- The financial statements included in these documents were prepared by the UUA's finance staff.
- Independent audit firm Mayer, Hoffman McCann, P.C., audited the financial statements and issued its auditors' reports, which are located on pages 1-2 of each of the documents.
- The auditors' opinions on both the UUA and UUCEF financial statements are "unmodified," meaning that the auditor concluded that the financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles. These reports are addressed to the UUA Board of Trustees, as the governing body of the UUA.
- The auditors are required to communicate with "those charged with governance" the planned scope and timing of the audit, significant audit findings, and certain internal control matters identified by the auditor during the audit.
 - The UUA Board has delegated the responsibility for oversight of the independent audit to the Audit Committee². The required auditor communications were made to the Audit Committee, and the Audit Committee authorized issuance of the auditors' reports, at its meeting on Monday, January 22, 2024.
 - No significant audit findings or internal control matters were noted in these communications.
- These documents will be published on the UUA's website and provided to external parties including the UUA's mortgage lender and UUCEF investors.
- Drafts of these documents, including the financial statements and independent auditors' reports, were provided in advance of and presented to the Board at the January 18-20, 2024 Board meeting by interim CFO Tim Brennan.
- It is best practice for a board to formally accept the independent auditors' reports, acknowledging that the i) board has received them, ii) the duties delegated to the Audit Committee have been fulfilled, iii) the independent auditors' reports may be relied upon by external third parties.

SUGGESTED MOTION: "That the UUA Board of Trustees accept the reports of independent auditor Mayer, Hoffman McCann, P.C. related to 1) the consolidated financial statements of the Unitarian Universalist Association and its subsidiary the Unitarian Universalist Association Common Endowment Fund, (UUCEF), and 2) the stand-alone financial statements of the UUCEF, as of and for the years ended June 30, 2023 and 2022."

¹ The subsidiary is the Unitarian Universalist Common Endowment Fund LLC (UUCEF), for which separate financial statements are prepared and audited. The UUCEF report is also included in this transmittal.

² UUA bylaws, Section 7.14 and 10.13.