



UNITARIAN
UNIVERSALIST
ASSOCIATION OF
CONGREGATIONS

Treasurer's Report to the Board of Trustees

April 17, 2010

Tim Brennan
Treasurer & Chief Financial Officer



Outline

- Transitions
- Building loan program line of credit
- UU Common Endowment Fund
- Retirement Plan
- Independent audits
- Shareholder advocacy
- Priorities



Transitions

- Karen Wheeler, Controller
 - Director of finance and administration – MassEquality
 - MBA, CPA
 - 4 years in public accounting
 - 10 years at IBM
 - 10 years in nonprofit financial management
 - Starts April 26 - Audit Committee Meeting



Building Loan Line of Credit

Old terms	New terms
7-year treasury + 1% (+2% to borrower)	7-year treasury + 2% (+3% to borrower)
Current rate to borrower = 5.28%	Current rate to borrower = 6.28%
No minimum rate	Minimum rate of 4.75%
No prepayment penalty	Prepayment penalty declining over time
One year term	Two-year term



UUA Invested Funds

(\$ millions)	March 2009	March 2010
Retirement Plan	128	175
UUCEF	85	119
Holdeen Trusts	23	29

UUCEF “Flash” Performance Report

Periods Ending 3/31/10

	Last Month	YTD	Fiscal YTD (June)	Last Year	Last 3 Years	Last 5 Years
Composite	4.3%	3.4%	22.5%	39.1%	1.8%	5.2%
Composite - Net	4.2%	3.1%	21.6%	38.0%	0.6%	4.1%
Allocation Index	4.1%	3.7%	20.7%	37.5%	1.1%	4.9%
Market Value	\$119,277,242					
<i>Note: Prepared by NEPC.</i>						

- The Endowment’s +4.3% return in the fourth quarter of 2009 ranked in the 9th percentile of the custom universe of like-sized endowments
- In 2009, the Endowment’s +28.2% return ranked in the 8th percentile of the custom universe
- Three-, and five- year returns ranked in the top quartile of the custom universe



New UUCEF Fund Managers

- 5% international equity allocation to:
 - Boston Common Asset Management
 - Global Currents
- Both SRI managers
- Approximately 50% of UUCEF subject to values screens



UU Organizations Retirement Plan

- “The UUA’s primary responsibility is to provide a quality retirement plan. So it is a ‘business decision.’ But, for us, the values of providers figure in our business decisions, most especially if there is comparability of service and cost.” – Bill Sinkford
- Three issues:
 1. Capability of firm to provide excellent service
 2. Fund selection, performance, and fees
 3. Alignment with UU values
- Every concern addressed
- Fiduciary oversight improved



Independent audits

- UU Organizations Health Plan
 - FY08 audit issued April 12 (adiós KPMG)
 - FY09 audit issued April 15 (Caturano)
 - Form 5500 filed April 15
- Selection of new auditors for UUA
 - CBIZ Tofias/Mayer Hoffman McCann



Shareholder Advocacy

- 12 resolutions on Global Warming, Executive Compensation, Gender Identity/Expression non-discrimination; Human Rights (co-file at Chevron)
- Global Warming: Withdrew at Alpha (Foundation Coal)*, vote at SunTrust Bank
- SOGIN: Agreement with Travelers*, Home Depot*; votes at Verizon, Wal-Mart, Conoco
- Exec Comp: Agreement at Bristol Myers*; votes at EMC, Abbott Labs, State Street

* Dialogue with management



Top Priorities

- Bringing new controller up to speed
- Revamp chart of accounts
- Implement budgeting software
- UUCEF – improve quarterly reporting
- Retirement plan conversion
- Fiduciary oversight of retirement plan