

The COVID-19 pandemic has had major financial impacts for the UUA. As these impacts are fully felt in the next two fiscal years, the UUA expects declines in income from congregational giving, endowment returns, and other sources. However, in the immediate term there is a one-time opportunity to invest in the UUA's long-term priorities of implementing recommendations from the Commission on Institutional Change and rethinking the planning of General Assembly. With the reduction of travel and events this spring due to COVID-19, especially the shift to a virtual GA 2020, the UUA expects expenses to come in under operating budget this fiscal year. The FY20 ending balance per the Q4 forecast is roughly \$1 million, though there remains substantial uncertainty about the final figure. The Board approves the usage of these one-time resources in the following manners:

- Affirm the set aside of up to \$250,000 to support flexibility in planning future General Assemblies and rebuild the GA reserve
- Restrict the remainder of the FY20 ending balance net GA losses to support implementation of the recommendations of the Commission on Institutional Change
 - This restriction will be a minimum of \$600,000, regardless of the actual ending balance
 - The funds will be used for implementing COIC recommendations above and beyond those expenditures included in the approved FY21 and FY22 operating budgets
 - \$100,000 of restricted funds would be immediately distributed in grants to identity-based organizations

The UUA will report the full ending balance at a future Board meeting. The pandemic's toll has been heavy, especially on those least able to bear its wrath for reasons of health, access to healthcare and financial resources thus it seems appropriate that this financial benefit be reserved to significantly and immediately provide implementation support for the recommendations of the COIC.