



Investment and Socially Responsible Investment Committee's Report to the Board of Trustees

October 6, 2018

Presenters:

Kathleen Gaffney, Chair, UUA Investment Committee

**Kathy Mulvey, Chair, UUA Socially Responsible Investment
Committee**



Agenda

- Introduction to the Committees
- Overview of UU Common Endowment Fund
- Investment Performance
- Asset Allocation
- Current Initiatives



Introduction – Investment Committee

Kathleen Gaffney, Chair,

- Vice President of Eaton Vance Management, Co-Director of Diversified Fixed Income and lead portfolio manager for Eaton Vance's multisector bond strategies. She joined Eaton Vance in 2012. Kathleen began her career in the investment management industry in 1984. Before joining Eaton Vance, Kathleen was a Vice President of Loomis, Sayles & Company and portfolio manager for its fixed-income group, managing a variety of mutual funds and institutional strategies. Kathleen earned a B.A. (Cum Laude) in Economics from the University of Massachusetts, Amherst. She is a CFA charterholder since 1990 and a member of the Institute of Chartered Financial Analysts as well as the Boston Security Analysts Society where she is currently serving on the Board of Directors. Kathleen has been a member of the Unitarian Universalist Area Church at First Parish in Sherborn since 2003 and has served as a Trustee for the UUAC Endowment Fund and President from 2011 to 2013.

John LaPann

- Federal Street Advisors' Founder, John LaPann, brings more than 30 years of high level investment and planning experience to his role as Chairman. An acknowledged industry leader, John was recently ranked as one of the nation's top 30 independent financial advisors by Barron's and was selected by Wealth Manager magazine as the top wealth manager in the country in 2008. He received a BA from Williams College and a Masters degree from the State University of New York in Albany. Before founding Federal Street, he served as Senior Vice President of Gannett, Welsh & Kotler after seven years as Vice President of Pell, Rudman & Company. Currently he serves on the investment committee of the Unitarian Universalist Service Committee, and is trustee of several individual and charitable trusts. After serving two years as President of the Board for Casa Myrna Vazquez, he is currently Chairman of their advisory board.



Brian Lasher

- Until recently, Brian was Chief Investment Officer and member of the Board of Directors of RueOne Investments (www.rueone.com). RueOne is an alternative asset manager that offers a la carte direct investments, not funds, to institutions and qualified investors on a deal by deal basis. For more than 20 years, Brian has developed innovative and successful investment strategies in the asset management and corporate real estate industries. Previously, he was Principal at Federal Street Partners, a hedge fund of funds and advisor, where he led portfolio management and research in the Americas for institutional and high-net-worth portfolios. Brian was also a Managing Director and investment committee member at Aetna Capital Management, an investment spin-off from the Fortune 50 insurance company. For over a decade, he worked for the A. Alfred Taubman family office, a Forbes 400 family, providing due diligence and continuing evaluation of both direct and fund investments across a broad range of asset classes, strategies, and geographies. Earlier in his career, he directed financing for Taubman Centers, the regional shopping mall REIT and from 1989 to 1991 he pursued real estate development and construction management in Boston and the surrounding areas. Brian holds an MBA in Investment Management and Finance from the Columbia Business School and a Bachelor of Science in Mechanical Engineering from the Massachusetts Institute of Technology (MIT). Brian has been a member of the Birmingham (MI) Unitarian Church and The Universalist Church of West Hartford. Currently, he is a member of the Endowment Committee for The Unitarian Church in Westport.



Ken Redd

- Senior Director, Research and Policy Analysis at the National Association of College and University Business Officers (NACUBO). At NACUBO, Ken directs the annual survey of college and university endowments and other studies on higher education finance issues. He came to NACUBO in 2008 from the Council of Graduate Schools. Previously, he was Director of Higher Education Research at the USA Group Foundation and Director Research and Policy Analysis at the National Association of Student Financial Aid Administrators. In addition to his professional work, Ken is also a Senior Fellow at the University of Georgia Institute of Higher Education. Ken also serves on the advisory board of the Frank Batten Scholl of Public Policy at the University of Virginia and the Alumni Society Board of the Hubert H. Humphrey School of Public Affairs, University of Minnesota. Ken has a master's degree in public affairs from the Hubert H. Humphrey School of Public Affairs, University of Minnesota, and a bachelor's degree in English and Political Science from Tufts University, Medford, MA.



Introduction – Socially Responsible Investment Committee

Kathy Mulvey, Chair

- A lifelong UU, Kathy Mulvey is a member of All Souls Unitarian in Washington, DC. She served on the Board of Trustees and on the Third Century Challenge committee that led the congregation's capital campaign fundraising. Kathy has worked with socially responsible investors and shareholder activists on a range of public health, human rights, environmental, social and economic justice issues over the past quarter century. She is currently Accountability Campaign Manager and Advocate at the Union of Concerned Scientists. In this role, she leads strategic development of UCS's climate corporate accountability campaign, guides engagement with corporate targets, builds national and international coalitions and mobilizes experts and supporters. From 2012-2015, Kathy directed EIRIS Conflict Risk Network of institutional investors. She worked with public pension funds, university endowments, asset management firms, foundation, faith-based and socially responsible investors calling on companies to support peace and stability in areas affected by genocide and mass atrocities, including Sudan and Burma/Myanmar. From 1989-2009, Kathy served on the staff of Corporate Accountability International (formerly Infact), guiding dramatic growth in programs, budget and staffing her tenure as Executive Director. Under her leadership, Corporate Accountability International's campaign challenging Big Tobacco contributed to the adoption of the World Health Organization's (WHO's) groundbreaking global tobacco treaty.



Vonda Brunsting

- A member of the First Unitarian Congregational Society of Brooklyn congregation. She works as the Director of the Capital Stewardship Program, Service Employees International Union (SEIU). The Capital Stewardship Program interfaces with the capital markets on behalf of SEIU's two million members, who work in health care, property services and public services. Ms. Brunsting trains and supports the SEIU trustees who represent beneficiaries at the public and TaftHartley pension funds. In addition, she founded the Trustee Leadership Forum for Retirement Security at the Harvard Initiative for Responsible Investment and serves on the Board of the Responsible Endowments Coalition. Prior to joining SEIU, Ms. Brunsting worked as a community organizer in Chicago, New York and Boston. She received her BA from Calvin College and holds a Masters degree in Public Policy from the University of Chicago

Kristin Faust

- President of Neighborhood Housing Services of Chicago, Inc. She came to NHS with more than 25 years of experience in community development finance serving the private, public, and non-profit sectors. Her previous role was Director of Lending & Network Services at Partners for the Common Good, based in Washington, DC. Prior to that, Kristin served as President of the Enterprise Community Loan Fund, where she substantially grew the organization. As Chief Deputy Treasurer for California State Treasurer Philip Angelides, she led efforts regarding state wide Low Income Housing Tax Credit (LIHTC) transactions. Prior to working on either coast, Kristin spent 15 years in community development banking in Chicago.



Julie Skye

- Ms. Skye joined Mariner Wealth Advisors in 2014 as a senior wealth advisor. She has over three decades of experience in the financial services industry. Julie combines her experience with her passion for Values Based Investing as she works with families, nonprofits and endowments. Her knowledge of research-based best practices allows her to focus on strategic planning and investment policy design for families and organizations. She also has extensive experience in retirement plan participant education. Previously, Julie was a portfolio manager for both Pinnacle Investment Advisors and Heritage Trust. She holds a bachelor's degree in finance and a master's degree in organizational change from the University of Tulsa. She has also passed the Series 65 exam. Julie is on the board of Smart Growth Tulsa and Tulsa Interfaith Alliance. She co-chairs the All Souls Green Team and is a member of the City of Tulsa Human Right's Compassionate Tulsa initiative. She was recently appointed to Mayor Bynum's Community Policing Commission and is joining Sheriff Regalado's Citizen's Jail Oversight Committee. She is a member of The Tulsa Chamber of Commerce's Diversity and Inclusion initiative, Mosaic. A devoted gardener, she is a Linnaeus Master Gardener, and recently started a community garden for the South Tulsa Community House.

Pat Tomaino

- Pat leads Zevin's corporate engagement program, analyzing portfolio companies and pushing them to address critical environmental, social, and governance risks. To that end, Pat dialogues with executives, builds coalitions with NGO's and peer firms, and files shareholder proposals on behalf of our clients. He also identifies emerging sustainability issues and oversees proxy voting. For several years, Pat was Senior Analyst on the responsible investing team of F&C Asset Management, where he led the U.K. firm's work in Latin America and Canada. He has held research roles for several progressive groups, including Senator Elizabeth Warren's 2012 campaign and the Service Employees International Union (SEIU). Pat recently completed a fellowship as a public radio producer for WBUR's Open Source with Christopher Lydon. A graduate of Harvard College, Pat is interested in racial justice, economic inequality, and labor rights in the U.S.



What is the UUCEF

The UUCEF is a professionally managed, diversified investment fund, offered by the Unitarian Universalist Association (“UUA”) to manage the assets of congregations, districts and other UU-related organizations (congregations, districts and UU-related organizations are collectively referred to below as “UU Congregations”).

Established in 1962 as a common investment fund, assets of the UUCEF are currently held in US and international equities, domestic and global fixed income securities and other holdings intended to provide broad diversification.

The UUCEF’s goals are to provide:

- Growth in the value of invested assets
- Sustainable distributions for congregational support

In order to reach these goals, the UUCEF has the following investment objective: achieve consistent returns within a moderate risk tolerance over the long term, sufficient to allow Congregations to take regular distributions and maintain the value of principal after adjustment for inflation and after all expenses.

It pursues this goal through diversification among asset classes (large cap equities, small cap equities, fixed income, high-yield fixed income, global asset allocation funds, and hedge funds), geography (U.S., international developed markets and emerging markets) and investment managers (the UUCEF currently uses 15 money management firms, each with its own specialty, which are referred to herein as “Investment Manager(s)”).

Investing in the Fund can relieve an organization of the responsibilities of investment management and move that task to professional managers and advisors, whose work is directed and monitored by a team consisting of the UUA Board of Trustees (“Board”), the UUA Investment Committee (“Investment Committee” or “IC”), the UUA Committee on Socially Responsible Investing (“CSRI”) and the UUA staff.

The Fund brings investors an added dimension — an active program of Socially Responsible Investing (“SRI”), which focuses on making investment decisions that reflect UU values and contribute to positive social and environmental change. The Fund’s SRI goals are realized by work in four areas: Shareholder advocacy, proxy voting, community investing and investment screening through stock selection.



Why Invest in the UUCEF

The UUCEF is an alternative for UU Congregations that currently manage or direct the investment of their own assets. The Fund is more than a single investment option – it is an investment program that implements a range of key tasks that may be challenging (and costly) for any single UU Congregation to perform on its own. Under oversight of the Board, the Investment Committee selects professional outside advisors and Investment Managers. Collectively, these groups and individuals work to:

- Set investment policies and operating procedures with ethical standards that are aligned with UU values
- Determine asset allocation targets
- Select and monitor investment managers
- Utilize UU committee members for guidance, several of whom are investment professionals
- Receive oversight from the UUA Financial Advisor and the UUA Treasurer
- Report to the Board, as fiduciary of the Fund
- Regularly rebalance the Fund to maintain its strategic asset allocation targets
- Insure that the books and records of the Fund are audited by a major accounting firm

Service capabilities are built around the needs of UU Congregations, such as:

- Ability to segregate restricted and unrestricted funds
- Distribution payments each quarter, if requested
- Flexible annual distribution rates: 0% to 6%
- Quarterly statements and performance reports
- Monthly statements and performance reports posted on line
- Quarterly conference calls
- Regular communications
- Commitment to responsive, high quality service from dedicated UUA staff



By-laws of the UU Common Endowment Fund

The Unitarian Universalist Association (UUA) is an association of churches incorporated in the Commonwealth of Massachusetts. In the course of its activities, the UUA receives gifts, trusts, and endowments that require investment management. These funds, together with other funds invested by Unitarian Universalist (UU) congregations and other UU organizations, are managed collectively in the Unitarian Universalist Common Endowment Fund, LLC (UUCEF).

Eligible Investors

The UUCEF may accept investments from the following: 1) The UUA; 2) Unitarian Universalist (UU) congregations in good standing; 3) UUA districts and regions; 4) UU Related Organizations, specifically Associate Member Organizations, Sponsored Organizations, Professional Organizations, Theological Schools, Independent Affiliate Organizations (and their member organizations), and International Organizations; and 5) Other UU organizations approved by the UUA Board of Trustees following application to the Treasurer.

Mission and Investment Objective

The mission of the UUCEF is to provide investors with competitive, long term investment results which are earned in a manner compatible with the values of Unitarian Universalism. The investment objective of the UUCEF is to achieve consistent returns within a moderate risk tolerance, sufficient to allow investors to take regular distributions and maintain the value of principal after adjustment for inflation and after all expenses. The UUCEF's goal is to achieve investment performance that is superior to what each investor could achieve independently.



The UUCEF shall operate in a manner which upholds the highest standards of fiduciary management. The UUCEF shall use a fully independent third party consultant to provide research and analysis to inform the fund's investment decisions, and shall consider proven socially responsible investment options. A disciplined and rigorous process, a focus on socially responsible investments, and maximum transparency shall serve as the basis for the UUCEF's operations. The UUCEF shall hold itself accountable by considering inputs carefully and measuring outcomes against both relevant investment benchmarks as well as widely accepted standards for socially responsible investment.

Investment Committee

The Investment Committee of the UUCEF shall consist of the Financial Advisor, the Treasurer, and five other persons appointed by the UUA Board of Trustees (including one who is designated to serve as chair), with the following qualifications: 1 Four persons who have direct professional institutional investment experience. This experience would typically be gained as an investor, consultant, money manager, or lawyer specializing in institutional fiduciary issues for an organization with assets at least as large as those of the UUCEF. Responsibilities of the Investment Committee The provisions of the UUA Conflict of Interest Policy, Whistleblower Policy, and all other policies applicable to committees appointed by the UUA Board of Trustees shall apply to the Investment Committee. One person 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, and who is a member of the UUA Socially Responsible Investment Committee. The Financial Advisor and the Treasurer shall serve as long as they hold such office. The other members of the Investment Committee shall be appointed by the UUA Board at its first meeting following the regular General Assembly in each year, and shall serve for terms of two years and until their successors are appointed and qualified, subject to a limit of eight years of service. Terms shall end at the close of the regular General Assembly in each year, with approximately half of the terms expiring in even-numbered years and half in odd-numbered years.



Responsibilities of the Investment Committee

The Investment Committee shall, subject to the requirements of these bylaws and of the Operating Agreement, adopt all policies necessary for the operations of the UUCEF. The Committee shall review and approve the Investment Information Memorandum and other materials used in connection with the UUCEF.

Applicable Policies

The provisions of the UUA Conflict of Interest Policy, Whistleblower Policy, and all other policies applicable to committees appointed by the UUA Board of Trustees shall apply to the Investment Committee.

Expense Reimbursement

The UUCEF shall reimburse the UUA for expenses incurred by the UUA on the UUCEF's behalf, such as investment management, custodial services, proxy voting, an annual audit, and investment consultants. The UUCEF shall pay an administrative fee to reimburse the UUA for the expenses incurred by the UUA in its administration of the UUCEF, including but not limited to a) part (and in certain instances all) of the salaries of the Treasurer, other professional and support personnel; b) general and administrative costs such as telephone, information technology services, website design and maintenance, general liability insurance, and occupancy costs. The administrative fee shall be calculated using a formula, approved by the UUA Board, based on an estimate of the UUA's actual costs. Initially, the annual reimbursement formula shall be 0.20% of the beginning asset balance of the UUCEF. The Treasurer shall review the reimbursement formula as needed, but at least once every five years, and shall recommend to the Board of Trustees if a change is warranted.



Incorporation of UU Values

The UUCEF shall be managed in a manner consistent with UU values as well as the achievement of return and risk objectives. The Investment Committee is responsible for balancing these occasionally competing objectives in the best interests of the UUCEF. The UUA is committed to an investment program which utilizes tools of socially responsible investment (SRI) to optimize the alignment of its financial assets with its values. As practical, every search for professional investment managers shall include at least one firm with expertise in SRI in the asset class under review. Unitarian Universalist values that shall inform investment decisions have been expressed in General Assembly resolutions and Statements of Immediate Witness, Board resolutions, and the UUA's Principles and Purposes. The Investment Committee and the UUA Board's Socially Responsible Investment Committee shall develop an ongoing process to assess the effectiveness of the UUA's SRI policies and practices. The committees shall also assist staff in developing coalitions (among Unitarian Universalist and other like-minded organizations, both faith-based and secular) to achieve SRI goals, and to expand services to member congregations and individual UUs regarding SRI practices that embody UU values.

Community Investments

Community investment in areas underserved by traditional sources of financing is an important component of a socially responsible investment program. Approximately 1% of the assets of the UUCEF shall be invested in community investments. The Investment Committee shall encourage congregations to invest their own funds in community investments.



Reporting

At least once every two years, the Investment Committee and the Socially Responsible Investment Committee shall jointly report to the Board of Trustees and UUCEF, LLC investors. The report shall discuss the performance of the UUCEF, LLC, including its success in meeting its return, risk, and SRI objectives.

The Treasurer shall post on the UUA website:

- an annual report on the performance of the UUCEF, LLC,
- a schedule of UUCEF, LLC investments (including community investments) as of the end of each fiscal year,
- agendas and minutes of the Investment Committee,
- governing documents of the UUCEF, LLC, and
- policies and guidelines adopted by the Investment Committee.

Investment Committee Operations

The Investment Committee is responsible for establishing the frequency, duration, and agenda of its meetings, and its procedures for the recording and publication of minutes, in the context of UUA practices to transparency and accountability.

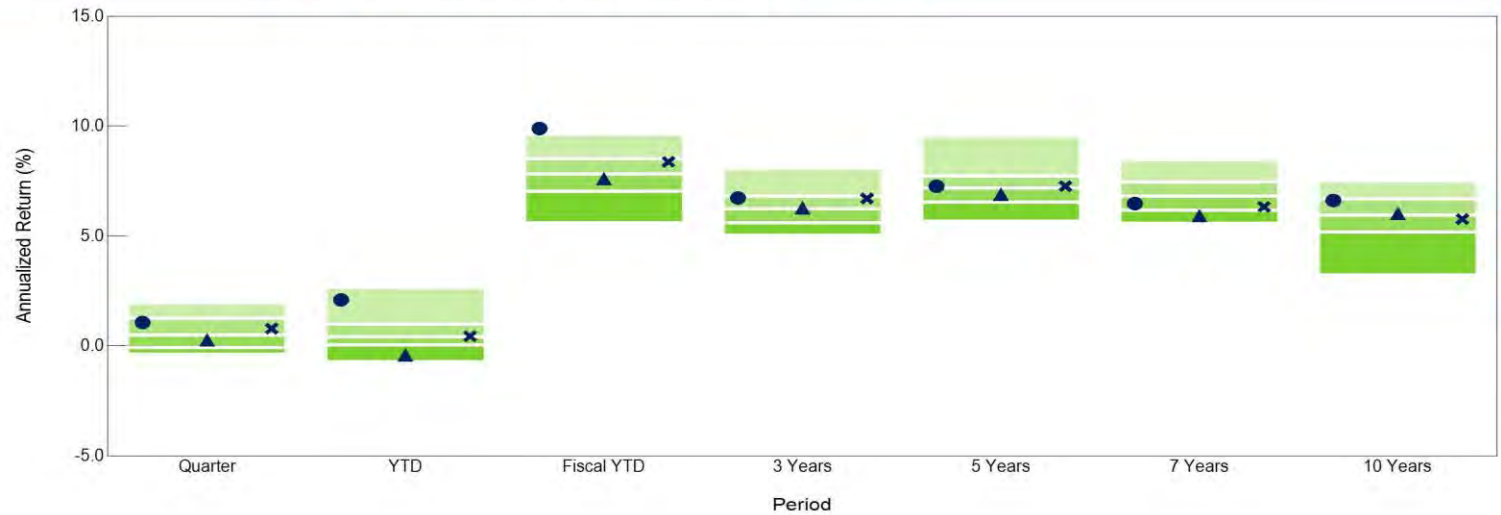


The UUA and Socially Responsible Investing (SRI)

- Three strategies:
 1. Advocacy –using the rights of ownership to influence companies
 2. Security selection –negative screening, positive selection, manager selection
 3. Impact –community investments, micro finance, market rate impact investments

TOTAL FUND RETURN VS PEER UNIVERSE - GROSS

Composite vs. InvestorForce All Endowment \$50mm-\$250mm Gross



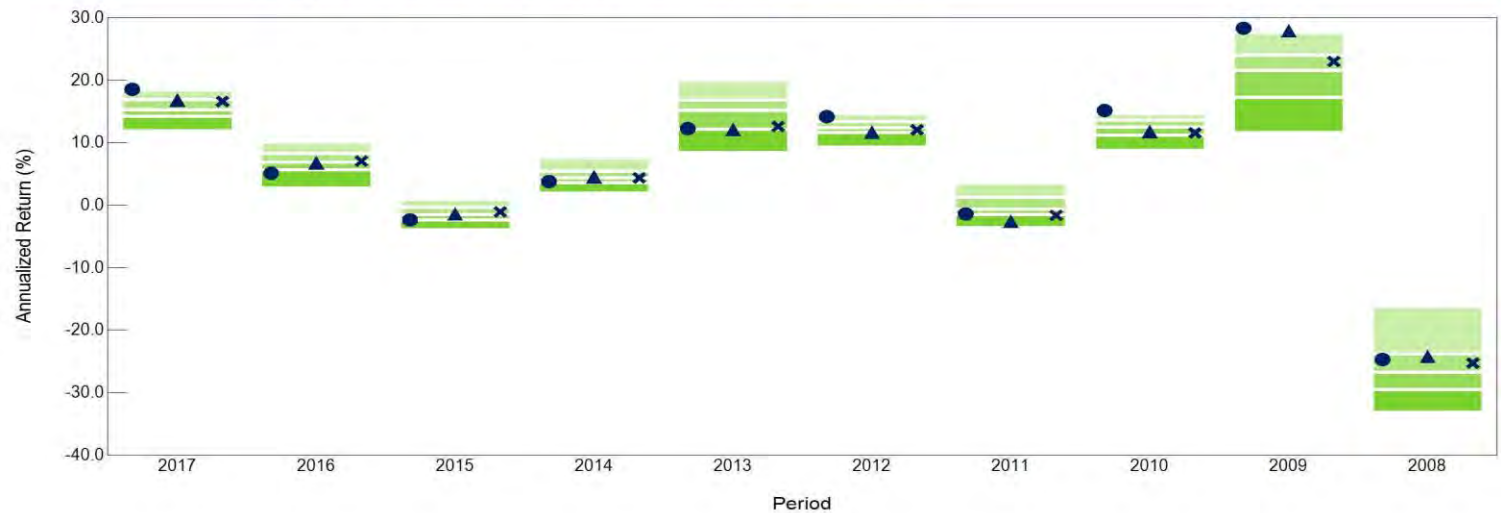
	Return (Rank)													
5th Percentile	2.0	2.7	9.6		8.1		9.5		8.5		7.5			
25th Percentile	1.3	1.0	8.5		6.8		7.7		7.5		6.7			
Median	0.5	0.4	7.9		6.2		7.2		6.8		6.0			
75th Percentile	-0.1	0.1	7.0		5.6		6.5		6.2		5.2			
95th Percentile	-0.4	-0.7	5.6		5.1		5.7		5.6		3.2			
# of Portfolios	39	38	38		38		35		32		32			
● Composite	1.1	(32)	2.1	(11)	9.9	(5)	6.7	(26)	7.3	(49)	6.5	(66)	6.6	(36)
▲ Allocation Index	0.3	(55)	-0.4	(91)	7.6	(58)	6.3	(49)	6.9	(61)	5.9	(86)	6.0	(45)
× Policy Index	0.8	(41)	0.4	(50)	8.4	(31)	6.7	(27)	7.3	(49)	6.3	(69)	5.8	(55)



June 30, 2018

TOTAL FUND RETURN VS PEER UNIVERSE - GROSS

Composite vs. InvestorForce All Endowment \$50mm-\$250mm Gross



	Return (Rank)										
5th Percentile	18.4	10.1	0.9	7.5	19.9	14.6	3.6	14.6	27.6	-16.3	
25th Percentile	17.0	8.3	-0.3	5.5	16.9	13.4	1.3	13.7	24.1	-23.8	
Median	15.3	6.9	-1.5	4.4	15.2	12.5	-0.6	12.5	21.6	-26.7	
75th Percentile	14.2	5.7	-2.3	3.6	12.2	11.7	-1.5	11.2	17.3	-29.4	
95th Percentile	11.9	2.8	-3.9	2.0	8.4	9.4	-3.6	8.8	11.6	-33.1	
# of Portfolios	76	79	80	90	81	83	82	77	75	71	
● Composite	18.5 (5)	5.1 (84)	-2.4 (76)	3.8 (74)	12.3 (74)	14.2 (11)	-1.4 (73)	15.2 (3)	28.3 (5)	-24.7 (31)	
▲ Allocation Index	16.8 (27)	6.8 (54)	-1.4 (49)	4.5 (46)	12.1 (76)	11.7 (74)	-2.6 (88)	11.8 (65)	27.9 (5)	-24.2 (27)	
× Policy Index	16.6 (32)	7.0 (48)	-1.1 (41)	4.4 (52)	12.6 (70)	12.1 (66)	-1.6 (79)	11.6 (67)	23.0 (36)	-25.3 (37)	



June 30, 2018

UNITARIAN UNIVERSALIST ASSOCIATION

As of August 31, 2018

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Composite (Gross)	193,697,903	100.0	100.0	0.8	2.7	4.9	10.1	9.3	7.5	7.5	7.0	7.4	Jul-02
Allocation Index				0.8	2.6	2.2	7.7	8.6	7.2	7.1	6.5	6.9	Jul-02
Policy Index				0.9	2.6	3.0	8.7	9.0	7.5	7.4	6.2	--	Jul-02
Composite (Net)	193,697,903	100.0	100.0	0.7	2.5	4.1	8.9	8.1	6.3	6.4	5.9	6.3	Jul-02
Allocation Index				0.8	2.6	2.2	7.7	8.6	7.2	7.1	6.5	6.9	Jul-02
Policy Index				0.9	2.6	3.0	8.7	9.0	7.5	7.4	6.2	--	Jul-02
Domestic Equity Composite	62,492,426	32.3	29.0	4.3	6.8	16.8	25.7	16.4	14.3	15.9	13.2	11.0	Jul-02
Russell 3000				3.5	6.9	10.4	20.2	15.9	14.3	15.5	10.9	9.4	Jul-02
Rhumbline	21,013,107	10.8	10.5	1.2	5.6	5.8	16.4	14.4	12.1	14.0	9.4	7.7	Aug-05
Russell 1000 Value				1.5	5.5	3.7	12.5	12.3	11.2	13.7	8.9	7.5	Aug-05
Sands	21,746,451	11.2	10.5	5.7	6.4	28.7	32.9	20.2	17.2	18.4	16.3	12.9	Dec-03
Russell 1000 Growth				5.5	8.6	16.4	27.2	19.3	17.5	17.3	12.8	10.3	Dec-03
Wellington SMID	9,015,673	4.7	4.0	3.3	6.4	11.7	22.0	--	--	--	--	13.3	Apr-16
Russell 2500 Value				2.3	4.3	7.4	17.4	13.7	11.4	13.7	9.9	16.2	Apr-16
Kennedy Capital	10,717,195	5.5	4.0	9.1	10.7	20.2	--	--	--	--	--	20.2	Jan-18
Russell 2000 Growth				6.2	8.1	18.5	30.7	16.4	14.2	15.9	11.6	18.5	Jan-18
International Equity Composite	55,048,448	28.4	25.0	-0.8	1.6	-0.4	5.5	9.1	5.4	4.8	2.3	6.0	Jul-02
MSCI ACWI ex USA				-2.1	0.2	-3.5	3.2	8.1	5.4	5.4	3.4	6.9	Jul-02
MFS International Concentrated	16,683,866	8.6	7.0	0.0	2.9	3.4	10.4	10.6	7.5	--	--	7.2	Apr-13
MSCI EAFE				-1.9	0.5	-2.3	4.4	7.0	5.7	6.6	3.7	5.8	Apr-13
Boston Common	15,240,289	7.9	7.0	-1.0	0.9	-0.9	5.0	8.3	5.8	6.6	--	5.9	May-10
MSCI EAFE				-1.9	0.5	-2.3	4.4	7.0	5.7	6.6	3.7	5.8	May-10
Baxter Street	10,628,938	5.5	5.0	1.2	1.7	2.4	6.2	--	--	--	--	12.2	Apr-16
MSCI ACWI ex USA				-2.1	0.2	-3.5	3.2	8.1	5.4	5.4	3.4	11.0	Apr-16
RBC Global Emerging Equity	12,495,355	6.5	6.0	-3.0	0.7	-6.6	-0.4	--	--	--	--	9.4	Jul-16
MSCI Emerging Markets				-2.7	-0.6	-7.2	-0.7	11.4	5.0	2.8	3.4	14.1	Jul-16



UNITARIAN UNIVERSALIST ASSOCIATION

As of August 31, 2018

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Fixed Income Composite	41,230,824	21.3	20.0	-1.1	-0.2	-2.1	-2.0	2.0	2.6	3.1	4.9	4.2	Jul-02
BBgBarc US Aggregate TR				0.6	0.7	-1.0	-1.0	1.8	2.5	2.2	3.7	4.2	Jul-02
Brandywine Global Opportunistic	9,304,507	4.8	5.0	-3.0	-1.8	-4.9	-5.7	--	--	--	--	2.3	Mar-17
Citi WGBI				-0.2	-0.6	-1.5	-1.7	2.3	0.8	-0.2	2.2	2.9	Mar-17
Loomis Multi Sector	9,483,815	4.9	5.0	-0.2	0.8	-0.8	0.4	--	--	--	--	2.9	Mar-17
BBgBarc US Govt/Credit TR				0.7	0.7	-1.2	-1.3	1.9	2.5	2.3	3.8	1.1	Mar-17
Franklin Templeton GMS	5,373,996	2.8	3.0	-4.6	-1.2	-3.8	-3.5	--	--	--	--	-2.0	Mar-17
BBgBarc Multiverse				0.0	-0.1	-1.6	-1.4	2.7	1.5	0.9	2.9	2.7	Mar-17
Breckinridge - Corporate	9,814,900	5.1	5.0	0.6	0.7	-0.2	-0.6	1.5	--	--	--	1.6	Nov-14
BBgBarc US Govt/Credit Int TR				0.6	0.6	-0.4	-1.0	1.3	1.8	1.7	3.0	1.3	Nov-14
Breckinridge-Treasury	3,701,201	1.9	2.0	1.6	0.0	-3.4	-3.7	--	--	--	--	1.4	Mar-17
BBgBarc US Treasury Long TR				1.6	0.1	-2.9	-2.8	2.3	5.1	4.2	5.8	2.2	Mar-17
Loomis Sayles Strategic Alpha	3,552,406	1.8	0.0	-0.5	0.3	1.2	2.7	2.6	--	--	--	2.0	Aug-14
BBgBarc US Aggregate TR				0.6	0.7	-1.0	-1.0	1.8	2.5	2.2	3.7	1.9	Aug-14
3-Month LIBOR + 3%				0.4	0.9	3.5	5.0	4.3	3.9	3.7	3.7	4.0	Aug-14
Opportunistic Investments	26,330,964	13.6	20.0	-1.1	0.6	-0.8	3.2	4.6	3.9	4.2	--	--	Jan-08
CPI + 5% (Unadjusted)				0.5	0.9	5.7	7.8	7.0	6.6	6.6	6.5	6.8	Jan-08
GMO Benchmark Free Allocation Fund	19,320,727	10.0	10.0	-1.1	0.2	-1.4	1.2	4.5	3.4	4.3	4.6	4.0	Jan-08
65% MSCI ACWI (Net) / 35% BBgBarc Aggregate				0.7	2.7	1.9	7.0	8.3	7.2	7.4	6.0	4.7	Jan-08
CPI + 5% (Unadjusted)				0.5	0.9	5.7	7.8	7.0	6.6	6.6	6.5	6.8	Jan-08
Cevian Capital II	6,434,175	3.3	3.0	-1.3	2.0	1.0	10.5	9.4	--	--	--	4.7	Apr-15
HFRX Event Driven Index				0.0	-0.6	-5.0	-4.4	2.6	1.0	2.5	1.2	0.9	Apr-15
MSCI EAFE				-1.9	0.5	-2.3	4.4	7.0	5.7	6.6	3.7	4.6	Apr-15
Entrust Class X	576,062	0.3	2.0	0.0	-0.3	-1.6	-2.7	--	--	--	--	-3.5	Jan-17



UNITARIAN UNIVERSALIST COMMON ENDOWMENT FUND
UNITARIAN UNIVERSALIST ASSOCIATION

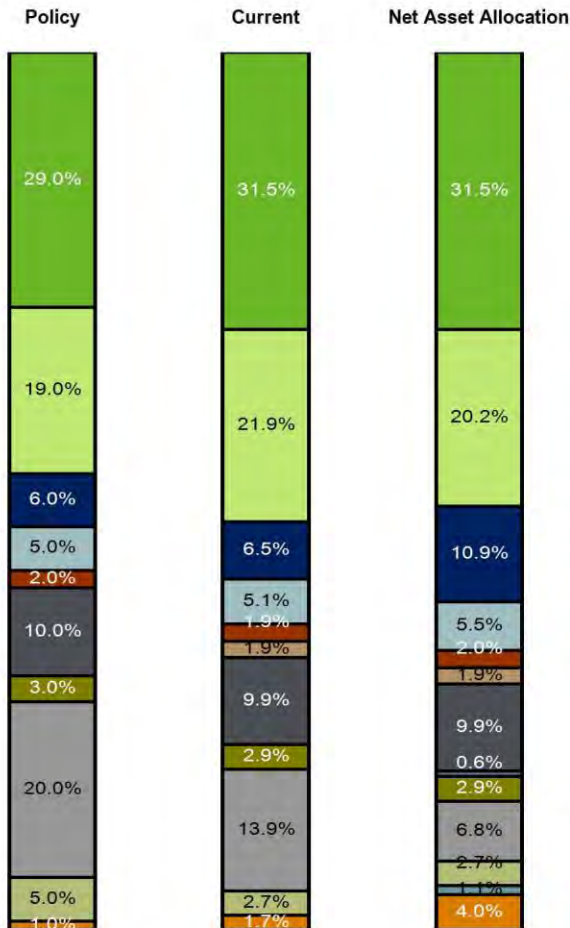
As of August 31, 2018

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Markets/Oppportunistic	5,670,278	2.9	5.0	0.1	0.1	4.3	9.9	9.1	--	--	--	8.5	May-14
<i>Private Markets Custom Benchmark</i>				<i>0.0</i>	<i>0.0</i>	<i>10.0</i>	<i>20.7</i>	<i>14.7</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>13.1</i>	<i>May-14</i>
OCP Orchard Landmark	2,203,171	1.1		1.1	1.8	5.8	--	--	--	--	--	10.2	Nov-17
<i>JP Morgan Corporate EMBI Broad TR USD</i>				<i>-0.9</i>	<i>0.5</i>	<i>-2.3</i>	<i>-1.4</i>	<i>5.0</i>	<i>4.8</i>	<i>4.7</i>	<i>6.3</i>	<i>-2.1</i>	<i>Nov-17</i>
FEG Private Opportunities Fund	1,628,207	0.8											
Brockton Capital Fund III	971,488	0.5											
SJF Ventures	396,985	0.2											
Canvas Distressed Credit Fund	470,427	0.2											
Community Development	1,687,166	0.9	1.0	0.0	0.0	0.9	1.1	1.1	1.1	1.3	1.5	1.6	Jul-07
<i>91 Day T-Bills</i>				<i>0.2</i>	<i>0.3</i>	<i>1.2</i>	<i>1.6</i>	<i>0.8</i>	<i>0.5</i>	<i>0.4</i>	<i>0.3</i>	<i>0.6</i>	<i>Jul-07</i>
Cash	1,237,797	0.6	0.0										

- Fiscal Year End: 6/30
- GMO Benchmark Free Allocation Fund from May 2013 onwards; prior to May 2013, returns are for the GMO Global Balanced Fund.
- Private Markets Custom Benchmark consists of Cambridge Associates US Private Equity Index prior to 4/1/2015 and Cambridge Associates Global All Private Equity Vintage Year 2013+ 1 Qtr Lag benchmark post 4/1/2015.
- Private equity is valued on a quarterly basis and updated as statements are received.
- Cash Market Value includes \$434,306.87 adjustment for pending capital additions into the UUA Endowment Fund.
- Net returns for the UUCEF Composite incorporates both investment management fees and UUA administrative fees/expenses.



TOTAL FUND ASSET ALLOCATION VS. POLICY



Asset Allocation vs. Target						
	Current	Policy	Current	Policy Range	Within Range	Net Asset Allocation
Equity - Domestic	\$59,918,458	29.0%	31.5%	22.0% - 36.0%	Yes	31.5%
Equity - International	\$41,738,694	19.0%	21.9%	14.0% - 24.0%	Yes	20.2%
Equity - Emerging	\$12,411,832	6.0%	6.5%	3.0% - 9.0%	Yes	10.9%
Fixed Income - Domestic	\$9,745,228	5.0%	5.1%	0.0% - 15.0%	Yes	5.5%
Long Treasury	\$3,700,088	2.0%	1.9%	0.0% - 10.0%	Yes	2.0%
Unconstrained Bonds	\$3,543,364	--	1.9%			1.9%
Multi-Sector	\$18,869,058	10.0%	9.9%	0.0% - 15.0%	Yes	9.9%
Emerging Market Debt	--	--	--			0.6%
Opportunistic Fixed Income	\$5,431,719	3.0%	2.9%	0.0% - 10.0%	Yes	2.9%
Opportunistic	\$26,365,372	20.0%	13.9%	10.0% - 30.0%	Yes	6.8%
Private Markets	\$5,199,879	5.0%	2.7%	0.0% - 10.0%	Yes	2.7%
Real Assets	--	--	--			1.1%
Cash	\$3,231,115	1.0%	1.7%	0.0% - 10.0%	Yes	4.0%
Total	\$190,154,806	100.0%	100.0%			100.0%

* Cash allocation includes Community Development

- On a look through basis, Domestic Equity is 31.5% of the fund, International Equity is 20.2% of the fund, and Emerging Market Equity is 10.9% of the fund.

- Within the Opportunistic allocation, dedicated Hedge Fund exposure is 3.7%, GMO has an Absolute Return allocation in their fund, increasing hedge fund exposure to 6.8%.

- Overall Fixed Income exposure is 22.8%, including GAA exposure.

