

Charter of the UUCCSM Investment Committee

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File: IC charter

Background

The UUCCSM Investment Committee (IC) was created in February 2016 by the UUCCSM Board of Directors. The initial members of the IC, as appointed by the board, were Steven DePaul, James Duckman, Jeffrey Ellis, and Joe Engleman. The formation of the IC was prompted by two events: 1) the receipt by the church of two large bequests (totaling \$800,000+), and 2) adoption by the board and church membership of six resolutions of the ad hoc Committee on Money (Co\$) calling for the setting up of special purpose funds in the church financial reserves. The money in these newly created funds is to be invested in accordance with these resolutions, and as agreed to by the Finance Committee and the board, as advised by the IC. In particular, the IC will be recommending how the newly created Church Endowment Fund created by Resolution V is to be invested.

There is no existing charter for the IC, and an IC is only mentioned in the current church by-laws as existing, in Article VI, Para. A, Section 2. Thus, this charter is meant to define the specific duties of the IC beginning with its acceptance by the board.

Charter

I. This charter establishes the structure and duties of the UUCCSM Investment Committee.

II. In accordance with Article VI.A.2 of the UUCCSM by-laws, there will be an IC chair, who will also serve on the Finance Committee. The chair will be determined by a vote of the IC. The first chairmanship will be shared by Steven DePaul and Joe Engleman, as voted on in the first IC meeting on March 14, 2016. The IC will consist of three or four members. The term of office will be no more than two years.

III. The resolutions of the Co\$ specify, for each of the new funds, either short or long-term investments, as shown below. The IC will recommend how the money in each fund is to be invested.

Res. II: Operating Fund: Checking Account

Res. III-a: Catastrophe Fund: Short-term

Res. III-b: Building Fund: Short-term

Res. III-c: Contingency Fund: Short-term

Res. III-d: Deficit Reserve Fund TBD

Res. V. and Vi.: Endowment Fund: Long-term

In addition, there is an Unrestricted Savings Account: **TBD**

IV. The IC will report to the board on a regular basis, at least quarterly. This will include such things as changes to existing investments and the roll-over of bank certificates of deposit (CDs). Investment changes may include a) changes in allotments to existing investments, and b) moving money between investment instruments (e.g., mutual funds).

V. The IC will base its long-term investment recommendations on achieving a prudent combination or trade-off of risk and return suitable for non-profit organizations such as a church. It should be understood, therefore, that although long-term investment growth is highly likely, we could experience short-term decreases in the principle. In addition, investments must adhere to our UU principles; e.g., by adhering to socially responsible investing (SRI). This in turn may be done by investing all or part of our long-term funds in the UU Common Endowment Fund operated by the UUA, which is available to all UU churches in the U.S.

VI. The IC will coordinate its recommendations with the Finance Committee. This will be accomplished by having the IC chair serve on the Finance Committee. After such coordination, recommendations will be made directly and independently to the church board by the IC. That is, the IC reports to the board, and not to the Finance Committee.

VII. IC meetings will be held at least quarterly. A quorum shall consist of at least three-fourths of the members. Recommendations to the board will be made by a majority vote of the IC. However, due to its small size, such recommendations to the board may be accompanied by minority opinions, as well. Tied votes will be treated similarly.