

After vote on April 15, 2018

## **Investment Guidelines for the Trustees of UUCM**

Our current mission statement is “to preserve and grow the endowment”, so we need to invest wisely. For example, this means that we will make no unduly risky investments, nor indulge in option trading or similar speculative actions. Our goal is to have an endowment that is consistent with the size and values of UUCM. Our assets should be well diversified. When we receive individual stocks, our policy is to sell them immediately.

The Endowment may use both mutual funds and Exchange Traded Funds (ETF's) to support our asset allocation.

Our desired allocation is 75% in equities and 25% in non-equity investments. This is a target, not a rigid requirement. The Trustees will assign the detailed allocations to the various investments, consistent with the 75/25 overall numbers, again with sensible flexibility. When possible, we invest approximately 25% of our total holdings in socially responsible investments. We use the following guidelines as much as possible.

### **Investments**

We use a variety of evaluation tools and annual financial statements. We keep about 5% of our total assets in cash for sudden needs.

Our decision criteria will be guided to prefer investments with no load and lower expenses.

We diversify our equity funds by capitalizations and styles. We should limit investments in sector funds. Our goal is to have adequate diversification within our Equity Investments.

We have a brokerage account with Vanguard, and thus should give preference to their funds. While we hold non-Vanguard funds, we incur a fee with them every time we add or remove money to rebalance our holdings.

We need to review our holdings at least once a year, to be certain that they still fall within our guidelines and target allocations.

Unanimously Adopted by the Trustees April 15 2018