

## A Proposal for the Formation of an Academic Senate ad-hoc Committee for Divestment and Strategic Reinvestment Investigation

### **PROPOSAL SUBJECT:**

Development of a body within the Academic Senate which is dedicated specifically to understanding how the divestment of the university's endowment away from the fossil fuel industry would impact the university and to investigate alternative impact investment options.

### **BACKGROUND AND MOTIVATION:**

In 2016, the Academic Senate established the ad-hoc Committees for Responsible Investment and Reinvestment Dialogue, which facilitated on-campus discussion around and investigated the issues of divestment and reinvestment for over a year. These committees brought forth a resolution that called upon the Board of Trustees to strategically divest the university endowment away from fossil fuels within five years, which, after extensive debate and a close vote, narrowly passed in the Senate. This resolution spurred the creation of the Socially Responsible and Environmentally Sustainable Investment Advisory Committee (SRESIAC), with one of its tasks being to provide advice on the investment of the endowment. However, SRESIAC has not had any meetings since this initial formation. The proposals of SRESIAC and the Senate ad-hoc Committees show the complexity of the issue and the need for a special committee. As the ASUU body has unanimously passed a joint resolution urging the Academic Senate to reestablish these committees, it is appropriate that a special ad-hoc Senate committee is proposed to take up this responsibility. Therefore, we are submitting this proposal to the full Academic Senate to establish the Senate ad-hoc Committee for Divestment and Strategic Reinvestment Investigation and to give it the task of analyzing the feasibility, effectivity, and morality of the divestment of the endowment funds, investigating reinvestment of these funds in positively impactful and environmentally responsible ways, and drafting a report to the Academic Senate after this investigation is complete.

**PRESENTERS:**

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**TIMELINE:**

The Committee shall be fully established by the first Senate meeting of the 2020-21 academic year. The Committee shall deliver a final report and proposal at the final Senate meeting of the 2020-21 academic year.

**PURPOSE OF THE PROPOSAL:**

To establish a Senate ad-hoc Committee for Divestment and Strategic Reinvestment Investigation; to provide uniformity by establishing duties and membership bylaws for the proposed special committee; and to establish this special committee as the body responsible for the investigation into the option of divestment and responsible reinvestment of the university's endowment fund, the facilitation of open debate and information sessions for the campus community, and the writing of a final report and proposal to the Academic Senate based on the aforementioned investigation and discussion.

**FULL PROPOSAL:**

The issue of divestment of our university's endowment fund away from fossil fuels is a complex one for a number of reasons. From one perspective, it is an internal issue and requires great deliberation and collaboration between all departments, offices, and bodies across campus. From another, it is a global matter, one in which we must consider how our actions and investments contribute to or take away from a more sustainable world. The complexity of the necessary investigation and discussion on divestment and reinvestment at the University of Utah warrants the need for a special ad-hoc committee focused solely on the issue which will represent all voices across campus and will account for all concerns.

The 2016 discussions on divestment were successful in that a large portion of our campus was engaged on this university-wide topic. Despite these efforts, our campus community and the ways that they now engage with environmental issues are quite

different. Our student body, faculty, staff, and leadership have all transformed within these four years. The global conversation has also evolved as the literature on climate change and the impacts of divestment has grown. It is critical that in the current global precedent of climate action that the university seriously considers its role in climate change through its investments.

As of now, over \$14-trillion USD has been divested globally from various institutions and organizations. Several Faculty Senates at universities within the AAU have already voted in favor of divestment, including those at Harvard University and the entire UC school system. The lead-up to these decisions at these universities has included the creation of special Senate committees as well as the facilitation of campus-wide discussions on the topic. The proposal of this ad-hoc committee will follow the guidance of these universities in establishing a focused body to research the impacts of divestment and reinvestment opportunities and to encourage public discussion.

The Committee will be tasked with three major responsibilities: performing a full investigation into how our university endowment fund is invested in the fossil fuel industry and how different levels of divestment and responsible reinvestment options would affect various sectors on campus, facilitating regular campus-wide information panels and discussions that function to both educate and gather input from the campus community, and composing a full report and 10-year proposal regarding next steps for the Academic Senate.

Although the intention of the student leaders who wrote and presented the ASUU joint resolution was, indeed, to seek full divestment of the university's endowment fund, it is entirely possible that the Committee arrives at an alternative plan to reduce the environmental harm of investments of the endowment. This possibility should be viewed positively as it exhibits the inclusive structure of this Committee and its commitment to documenting and accounting for all perspectives while completing the Committee's tasks. To further ensure that the Committee is representing a diverse set of needs and solutions, the Committee should be composed of career-line and tenured faculty, students, a representative from Staff Council, and representatives from the offices who will be most involved in the discussion on divestment, namely the President's Office, the Investments Office, and the Sustainability Office. The specific membership requirements of the Committee are laid out below.

### *1. NAME*

The name of this committee shall be the Senate ad-hoc Committee for Divestment and Strategic Reinvestment Investigation.

### *2. PURPOSE*

The Committee will serve to inform the Academic Senate with regards to the divestment of its endowment fund on best actions that balance the economic, ethical, community, and environmental concerns of the university. The Committee shall be responsible for three main tasks:

- Investigate how our university endowment fund is invested in the fossil fuel industry and how different levels of divestment and responsible reinvestment options would affect various sectors on campus;
- host campus-wide information panels and discussions at least once a month which shall be open to the campus community; and
- draft a full report and 10-year proposal regarding the next steps for the Academic Senate.

The Committee shall report to the Academic Senate at least once each semester.

### *3. MEMBERSHIP*

The Committee will adhere to the University Policy 6-002 regarding membership while also requiring the following membership criteria:

- 3. a: The Committee will be composed of 16 members, including 8 voting career-line and tenured faculty, 3 voting student representatives, and 5 non-voting members representing each of the President's Office, the Investments Office, the Sustainability Office, the ASUU Sustainability Board, and the Staff Council.
- 3. b: One of the faculty members shall be a representative from the Senate Advisory Committee on University Strategic Planning. All other faculty members of the Committee shall be appointed by the Senate Executive Committee.
- 3. c: The student representatives shall be appointed by the Office of Sustainability.
- 3. d: Terms for the members of the Committee shall expire no sooner than the end of the 2020-21 academic year and may be extended if the Committee's purpose has not been fulfilled within this first year.