

ACIR Meeting Minutes for 27 May 2014

Current as of: 5.28.14

Attendees (*voting member, #via phone):

Terra Lawson-Remer (Faculty, Chair)**#Bevis Longstreth (Trustee)*****Charles Allison (Faculty)*****Chris Crews (Student Representative)*****Ian Morlan (Staff)****Jens Astrup (Research Assistant)****Brandt Weathers (Research Assistant)****Tokumbo Shobowale (Chief Operating Officer)****Larry Woods (Office of Business and Finance)**

Topic	Discussion/ Action/ Proposal	Responsibility/Time Frame
1. Last Meeting Minutes	Ian M moves to approve. Minutes pass.	I/B: to post previous minutes online.
2) CCAP Updates and Next Steps	<p><u>A. Tokumbo Feedback on Administrative Committee and role of ACIR</u></p> <p>Terra explains Tokumbo memo to committee. Tokumbo arrives.</p> <p>Tokumbo starts further explanation. Conversation in Board got bogged down in logistics, but still wanted to move a holistic plan brought forward by administrative committee (working group: 2 deans, COO, and head of legal). Listed areas to change in memo. Have thin staff in investment research. Discusses why Slocum is not capable of covering research demands for our university. Sees across-the-board divestment as arbitrary, but need stronger arguments behind what types we choose to divest from. Needs greater specificity. Needs ACIR's research help in this area.</p> <p>Terra tries to clarify: asks if we need to provide specific process and steps with coherent criteria for divestment, as opposed to ad hoc method.</p>	<p>Terra: draft a TOR with Ian and Brandt (I/B) to be adjusted with Tokumbo and Administrative Committee (AC).</p> <p>Chris: to write up letter of concerns regarding current developments with establishment of the AC.</p> <p>Charles, I/B: to function as point person on TOR/AC project over summer; to be cc'd on all communications and to support RAs work with AC over</p>

	<p>Tokumbo: true, all we have is 350.org list which is arbitrary. Board is concerned that limiting blanket set of companies would affect returns, supposedly in theory, may be true in reality. Impressed by Stanford's decisions. Could we do more targeted techniques to go into the future. Need a good rationale.</p> <p>Terra: what about other prongs of CCAP?</p> <p>Tokumbo: what was approved was a broader mandate for a broad policy for responsible proposal from administrative committee. Many questions fall in this vague notion. Need input. The Board does not have mandate to set percentages for their Investment Committee. So much of the details are left up to the IC. This gets to what it means to carry out sustainable investment and get stronger research and rationale base. Ultimately we want to impact climate change or help mitigate it.</p> <p>Terra: so there are two areas we could help - what does an alt investment strategy mean or look like as well as divestment.</p> <p>Tokumbo: the Board was not necessarily comfortable with specificity of first prong details, but IC may be much more comfortable with these items.</p> <p>Charles: why would Board be interested in this if they were so uncomfortable earlier?</p> <p>Tokumbo: the greater desire to actually have an impact and reflects the work of TNS. Needs to be part of a greater whole and more compelling.</p> <p>Charles: what kind of bar is being set for the kind of work we're being charged with to 'impact global warming'?</p> <p>Tokumbo: I agree, this could be debated forever, but the hope is that as a holistic package it would be</p>	<p>summer.</p> <p>Larry: to function as primary contact for Slocum; Linda to make judgments on what Slocum's mandate covers.</p>
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	<p>more persuasive and effective toward larger goals.</p> <p>Terra: so someone is going to try to put forward this massive report among several very busy people and will be very comprehensive (Tokumbo confirms draft before end of summer). I want to make sure something gets accomplished and doesn't stall. I'd like to propose a few options: one point person to lead this project supported by RAs or have RAs as point people and committee support them. I'm open either way. Concerned that report will get generated and not go anywhere. Any other input?</p> <p>Jens: concerned that pushing group of items, if they don't get passed, does that mean that our item will stall as well?</p> <p>Charles: in fact I think those other items may be more advanced than our work.</p> <p>Tokumbo reiterates necessity holistic aspect of this proposal to match up our actions with our reputation.</p> <p>Terra: I think there is a concern that this may become a classic coordination problem where no one can agree and pieces get stuck and should be approved iteratively. However, this decision was made by the Board and we should just accept that this was made, though I disagree with it, and in good faith try to get something done by the end of summer. So what is our best process in doing this?</p> <p>Charles: what's the end product of this in total? Who is going to take ownership and be the final point person?</p> <p>Tokumbo: so I'm new here, but I do think that there is a good confluence of things coming together here. Discusses the claims each Admin committee member has in this process. So we need to really get a narrower focus and I think global warming is narrower than sustainability in general. So we also</p>	
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	<p>need to identify our competitive advantage.</p> <p>Terra: I really just want to focus on best process.</p> <p>Ian: I like the RAs being point person.</p> <p>Charles: I'm really interested in hearing the thought process of this Administrative Committee (AC).</p> <p>Terra: maybe we draft a TOR (terms of reference) for their working group and we can lay out our objectives and get feedback and get on the same page for ACIR's planned work for the AC.</p> <p>Bevis: the problem is that this committee is limited to investments. And the Board has stated that there is isn't much else for this committee to do in terms of fossil fuels. It seems to me to be over.</p> <p>Terra reiterates Tokumbo's ask from committee and need for us to act in good faith.</p> <p>Tokumbo reiterates need for strong rationale. Talks about strong press for Stanford.</p> <p>Bevis talks about interest in TOR, but also about apparent split in Board.</p> <p>Tokumbo and Terra debate binary nature of ACIR's proposals. Terra talks about need for mandate.</p> <p>Chris: two things, thinks we should send letter rejecting this committee and its ability to not be redundant and qualified enough to take on this task.</p> <p>Brandt: I'm excited to do this.</p> <p>Jens: I feel insulted that we had our work thrown out and that the likelihood of getting anything done is extremely low.</p>	
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	<p>Tokumbo: I believe that Board issues are slow to move, but I do feel qualified, even though there may not be experience in the AC that is central to the committee members work. But it should be. Goes on to discuss how big the problem is and how the approach is slow due to the nature of the problem and the Board's nature. Thinks this approach with AC will be better received.</p> <p>Charles: what I hear is that this committee is discounted because 'we have a view'. That's hard to swallow. But we have a better shot to convince the board by convincing AC.</p> <p>Terra: considering the danger of wasting more energy into this project, which should be avoided. But if we can put together a TOR and establish a process; but also think that its important to communicate our disappointment.</p> <p>Ian M: those two aren't mutually exclusive. So we have letter and TOR. As a voting staff member, I feel constrained except to say that we could do both. I propose that we permit Chris write his letter and get it passed along to committee.</p> <p>Terra: but Chris's letter says he would reject the AC. Would need some correction for it to be compatible.</p> <p>Chris: I'll send my thoughts and response to committee and they can do what they will with it. Ian seconds this.</p> <p>Terra: I'll work with Brandt/Ian to work on TOR and send along to Tokumbo. Hopefully by end of week.</p> <p><u>B. Updates on discussions with Deans. administration</u></p> <p><u>C. Discuss Slocum grievances and research demands for the future</u></p>	
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	<p>Brandt discusses issues with Slocum: information, holdings info, etc.</p> <p>Larry says he can be primary contact for Slocum; Linda can make judgments on what their mandate covers.</p> <p><u>D. Next steps for CCAP</u></p> <p>TOR and letter of concern.</p>	
<p>3) Student Capstone Presentation on Divestment Research</p>	<p>Samer starts to discuss his project. Interested why and how other schools have found ways to divest in reinterpretations of risk.</p> <p>reasons for divestment: reputation, student-identity and association</p> <p>all schools are condemning an industry</p> <p>prescott college: three options on best divestment: search for other mutual funds, private sri, convert from mutual fund to private—=</p> <p>Samer: If it is known that TNS is involved in a certain stock, prospective students need justification for studying environmental issues at TNS</p> <p>Unity College: from mutual fund, argument based off publicity, mission statement mentions sustainability</p> <p>You cannot use the same benchmarks (re restrictive portfolios) because frameworks act differently in the market.</p> <p>If correct assessment is used, it a divested portfolio does not imply increased risk</p> <p>Slocum removed 1.4% in fossil fuels without strategically placing \$ into other equities to suggest its ineffectiveness.</p> <p>Other school does not have enough money to immediately divest into alt energy, but made</p>	<p>Terra: RAs to redistribute finalized version of Samer's paper to committee</p>

	<p>divestment plan to accomplish goal over time.</p> <p>What he learned TNS: admissions biggest part of endowment. Milano's eps program has big international admission but low domestic due to [branding efficacy issues]. Harvard mocked divestment, but re-addressed due to backlash.</p> <p>Charles to Samer: Is there anyone you've spoken to that you think we should get in touch with?</p> <p>Panel speech at forum changed Samer's mind: association, identity, and branding</p> <p>Terra: the RAs should feel free to draw on Samer's research for framework as necessary over the summer.</p> <p>Samer conclusion: redefine "risk" 1.4% is a risk, but admissions are a risk, school identity is a risk</p>	
4) *Re-Cap Action Items from last meeting	<p>Terra: sign on letter didn't get done.</p> <p>Charles: is this to be a letter, poll or what?</p> <p>Terra: let's get a letter, no need to get scientific poll.</p> <p>Charles: great and we figured out appropriate technology so we'll get it pushed forward summer.</p> <p>All: great.</p>	
5) Discuss ACIR's goals for next year	<p>Ian H. provides introduction.</p> <p>Jens discusses future plans, given that he's leaving TNS and ACIR.</p> <p>Terra: thought we should take 10 mins to discuss what ACIR is to be doing next year and summer. Annual Report is on to-do list. Decided to support working group (AC). What else to do in the fall and next year? Do you have thoughts on future of this</p>	<p>I/B: give Bevis update on rest of meeting.</p> <p>Terra: RAs need to find out situation with Izza.</p> <p>I/B: reach out to REC to get a sense of what endowment issues are currently drawing</p>

	<p>committee.</p> <p>Chris: we should have a table at the block party in the fall. I/B to get in touch with Shannon Logan in OSDA. Also need to consider getting greater visibility for committee.</p> <p>Terra: on visibility from we need a list of public events we should be part of ahead of time and have an internal calendar. Need to tap expertise of Jens and Chris to get info on these events.</p> <p>Chris: also need to get to work with C6.</p> <p>Charles: Laritha Slaughter should be helpful with student services in getting our annual report or document in new student packets.</p> <p>Terra: also tough to get new members, need to get connected to constituency groups: UFS, USS, etc. Is there an appropriate body for staff? I think this would increase sustainability and ownership.</p> <p>Jens: we should get in touch with committee on committees in USS, which could assign members to sit in student positions. (Jens to send contact info to I/B)</p> <p>Terra: I/B to create one pager on this issue to try to get this moving (connecting to constituency groups).</p> <p>Charles: what are we going to do next year?</p> <p>Ian: election cycle coming up... maybe do campaign finance again.</p> <p>Terra: maybe we could put together survey to get feedback of concerns of university community. Use it as an avenue to get contact info from people as well. Use likert scale questions and yes/no, no open ended responses.</p>	<p>strong student support.</p> <p>I/B: find out events for upcoming academic school year to increase ACIR visibility; use Chris's idea for a penny desk with gifts/pins in block party; work with Terra on TOR by end of this week; start effort to establish meeting schedule for next year; ;contact student services to see if ACIR can include info sheet in new student packet send out action items and post minutes online after this meeting; follow up with Izza to determine status on committee; continue to pursue new leads on members filling open positions; attempt to reestablish commitments from USS and UFS for providing volunteers for open positions.</p>
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	<p>Brandt: reach out to REC to get a sense of what's hot right now. (others agree)</p> <p>Terra: good, let's do that and put together a survey to get a sense of what people here on campus perceive as the most important issue.</p> <p>Chris: in the past others have put together a desk where people could assign 10 pennies into issues that they thought were most important (Brandt says they should be given pins as a gift).</p> <p>Terra goes back over to-dos: pennies desk (block party), constituencies one pager, survey devised once have talked to REC, TOR, complaint letter, comprehensive calendar of events next year, welcome materials handout, letter for the faculty. RAs to work with Terra on schedule of meetings for next year and deadlines for these items above.</p> <p>Charles volunteers as point person on TOR/AC project over summer, as cc'd communicate to support RAs work with AC over summer.</p> <p>Terra: RAs need to find out situation with Izza.</p>	
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