

ACIR Meeting Minutes for November 04, 2013

Current as of: 12.13.13

Attendees (*voting member, #via phone):

Terra Lawson-Remer (Faculty, Chair)**Susan Sawyer (Staff)*****Izza Aftab (Student Representative)*****#Bevis Longstreth (Trustee)*****Malcolm Smith (Trustee)****Larry Woods (Finance Office)*****Chris Crews (Student Representative)****Jens Astrup (Research Assistant)**

Topic	Discussion/ Action/ Proposal	Responsibility/Time Frame
1. Last Meeting Minutes	Committee reviews minutes (Malcolm enters meeting) Izza motions to approve, Chris seconds, no objections	J/B: Post minutes online.
2. CCAP (Climate Change Action Plan) Promotions and Next Steps	Terra asks committee where we are in terms of next steps. Jens gives summary of what J/B have done in terms of student support Chris gives update on Sustainability Day, there was good turnout - faculty showed up along with students from NYU and associated groups. Event was a combination of information around issues. Not yet an extremely active environmental student activity around issue, so considering that turnout was very good, Malcolm asks if NYU reps were students, and who led meeting. Chris confirms that they were students, and that the meeting was broken into segments	

	Izza gives summary of what she spoke about during the segment dedicated to ACIR. 3-4 faculty members rose questions about how CCAP would work, skeptical. Izza told students to talk to their deans about the issue and say they support it. There were also questions about Harvard Divest, They also asked about how divestment would work exactly. Izza told them that they can go to faculty with questions and call always ask ACIR members as well, and look at minutes online. Terra asks if there is anything else surrounding student involvement Izza says she received an email from NSFP who asked about the CCAP and how it works. Also asked why divestment is important to TNS, the investor action plan and its process, and this movement in terms of a national movement. Terra says (while Izza finds email) she has been hearing from students, and says there is definitely a buzz surrounding issue.	
3. CCAP Logistics	Terra asks Bevis about dinner, and also asks for information on communications with other relevant groups. Malcolm asks if Bevis is still on phone. Bevis confirms. Malcolm asks if he has had update from IC? Bevis reports on his dinner with Steve, Joel, Tim and Jeremy Grantham, Dinner was to warm ties up and Bevis believes the dinner was very effective in doing so. Jeremy spoke about the impact a university could have by taking on the 5 pronged plan in the CCAP. Emphasized the importance of divestment, reported that he was pushing NRDC to divest from fossil fuels. Terra asks what conversation was like with Joel. Bevis says he didn't commit anything, but thought the question of the CCAP should be handled by Board,	Chris and Izza to speak to GFSS about CCAP resolution Jens to bring CCAP resolution to USS Terra will go to Joel to speak about Dean's Council J/B to add meeting with DVZ/Tim to next ACIR agenda J/B to compare TNS holdings to CERES shareholder resolution list, get clarification on letters

	not IC. Terra: ALI 5 prongs or just divestment Bevis: Joel said all 5 Malcolm asks if Bevis brought Joel, et al up to date with IC meeting. Bevis says dinner was before meeting. Malcolm notes that no one on committee has been updated on what happened at IC meeting. Malcolm notes that Terra has been very active in persuading IC in taking on these issues. IC has approved first 4 prongs of CCAP, is leaving 5th on the table. The committee is going to have the opportunity to have a discussion on divestment. Malcolm requests that Bevis' memo on divestment in response be given to IC as it makes case for divestment very well. Malcolm believes taking first 4 is very positive, and at least 5th is coming up again. Malcolm believes that IC should recommend to board that they vote in favor of all 5. Bevis doesn't think IC would support divestment, but says he may be wrong. Malcolm notes that Steve is expressing skepticism, but there is room for discussion. Terra notes that we don't celebrate successes enough and takes a moment to note the accomplishment. Delighted that 4/5 are moving forward. Susan expresses confusion, does IC approval on first 4 mean we can move forward or does it move to Board. Bevis says he wants all 5 to move to Board for approval. Terra asks for clarification if all 5 need to be voted on or just divestment.	J/B to send shareholder resolutions to committee for review J/B to find timeline for CERES letters J/B draft up one pager regarding procedure in the name of the The New School. J/B to find costs & benefits of joining CERES - becoming more formally involved JB to add CERES discussion to next meeting agenda
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	Bevis says he believes Steve wanted all 5, but will need to find out. It seems that the question for the Board, does tns as an institution want to take a position on climate change and undertake to advance an agenda that we want to stop it from happening. That's a policy question that Bevis suspects Board will say yes on. Chris: Has IC asked to put these 4 items on the next meeting's agenda. Izza: but IC is fine with first 4? Malcolm: Yes Bevis wants to get all deans on board and have them as supportive as Joel is. Malcolm notes that he spoke with Browner, and she seems very sympathetic with what's going on. She believes that this could be an enrollment issue for Lang. Bevis says he also spoke with her about that, enrollment is a no brainer, easy way for TNS to distinguish itself. Terra asks to clear up process for next steps and strategy. As she understands it, ACIR needs to put proposal on table for Board, on 5 prongs but core is asking if Board wants to take a stand on climate change. Coming with that would be endorsement or recommendation from IC, currently for 4 prongs, prefer whole package. Asks if next meeting is January. Susan believes it is in Feb. Bevis says it occurs to him that it is not inappropriate and even necessary for ACIR's recommendation to go to BOard, but in addition would need support for CCAP from Deans and Provost. Terra agrees but asks what form that support should take. Letters from each dean or is there something that would be more effective.	
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	Bevis thinks that letters would be great, or even a memo sent to Chair or DVZ, simply saying that they have read CCAP and they support it. If they want to go on saying why they support it, that'd be great to. This should happen well in advance before people start making up their minds. Terra: within next month Bevis: yes Terra, so this can be included in package, but this could also be emailed to us and CC whole board. Chris: maybe this can also go to Deans Council so that in addition to Joel and Browner, which would make it hard for Board to say no because admin at all levels would be in support. In addition to USS, and it hasn't been brought to graduate senate. Malcolm says that we would have student support and dean support, but there would still be question of 5th prong. Bevis updates on Harvard Divest, and says that info may be useful because DVZ may attempt to mimic her. Chris: can we get them to support all 5 or do we have to wait for clarification on 5th? Izza: Does DVZ support? Terra says going to DVZ may be too far, he may not even be CCd on these emails. Bevis says ACIR should work the way up the ladder, should presume. Terra agrees. Wants to get a list together of what targets are. Says we should start with low hanging fruit and move upwards, and know exactly what we want from them. Says we should think what we want from Student Senates. Jens notes that USS has already made statement, but only in favor of divestment.	
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	Terra says we need vote on whole CCAP. Malcolm, for low hanging fruit, we can focus on whole package but as we move up the ladder divestment will become the main focus. Izza notes there is a class coming up run by Rick McGayhe. Terra notes that they've been attempting to talk for 2 months. Terra thinks first step is statement in support from CCAP from USS and GSFS. Izza - if we have the statement CHris and Izza can take to GSFS. Terra: so do we want to go to deans separate to gets support or go straight to whole Deans COuncil Susan notes that they are part of DEan's council Bevis says we should go to JOel and see what he thinks is best Terra: who would like to take that on? Bevis says he is willing to do it. Terra says it should be her or Bevis Malcolm suggests Terra. Terra takes on task of speaking to Joel in terms of Dean support. Malcolm notes that he doesn't know where Will Millberg would stand Chris and Terra thinks he would be supportive Terra says she will speak with Will in addition to Joel. Terra thinks we shouldn't go to faculty senate yet, because faculty feel like they are constrained	
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	financially, and they feel under threat financially. They aren't entirely sure about this issue and it's being heavily debated and there are very strong stances on this issue. She notes that it's hard for faculty to step back and look at enrollment 5 years down when their jobs are on the line today. Should talk with faculty after Deans. Chris notes that this is a tuition driven school and it wouldn't affect jobs Terra says they are just generally financially nervous, people are losing offices, upset about new building, closing of uptown campuses. Bevis asks if that's true Terra says they are definitely angry about losing offices, and lots of departments feel misplaced. Faculty believes new building has impacted ability to focus on more important issues. Malcolm notes that no one is happy about selling uptown building for \$62 million, and notes that ever since he was Chair in 90s that building was under consideration for sale. Terra again iterates that it's hard for faculty to see big picture. Terra moves discussion onwards, confirms she will speak with Joel about deans. Next question is if ACIR should bring divestment issue back to IC. Terra asks what we would need to do ahead of time if we decided to do that. Chris asks if IC meets before Board. Malcolm says yes Chris says they should talk to Joel, and ask for clarification on exact issues over divestment so those can be addressed before Board meets. Bevis notes that Steve is nervous that divestment may affect ROI by some unknown amount.	
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	Terra notes that Steve says about \$2 million annually lost, but notes that the number was very quickly estimated. That also doesn't take into account investment alternatives, or which IMs are used. There are many variables to consider, and ACIR is not able to answer ROI question. Bevis can make an argument in favor, but ACIR can make a certain statement that would be compelling which would definitely declare a specific loss. Bevis notes that he talks about this in his article. He is convinced that he is right and no one has disagreed with him yet. Notes that no one at IC meeting had seen it. Terra notes that she was just answering Izza's question about specific amount lost. Jens notes that Bevis' article is included in dossier. Terra asks Malcolm and BEvis is this should be sent to IC in advance of next meeting. Malcolm says that already happened, divestment was put on hold to next meeting so that IC could review the article. He notes that Terra is correct that ACIR is not in position to make statement on ROI. IC will make an estimate of endowment return impact at next meeting. He also notes that a new consultancy has been brought on for IC, and so moving forward there will be many changes in endowment as a result of new consultants. Terra asks how many more meetings the IC has before holidays. Larry says he will find out and get back to Terra. Terra asks if there is anything ACIR should to do to prepare for IC meeting, do they need any further documents aside from Bevis' article. Larry will find this out as well. Terra moves conversation onwards. Terra reviews action items from this agenda section. Terra notes that it would be useful to speak with CEA.	
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	Jens' gives summary of talks with Peter Terra says it would be useful to speak with him about how media coverage could be leveraged around this. That analysis would be useful for Board to see. Terra also notes that ACIR should reach out to DVZ and Tim once more. Meeting with those two should be put on next agenda for discussion. Jens gives update on call with CERES. Terra gives summary of CERES and how she got involved with this initiative. Terra notes that they are filing shareholder resolutions which is part of our CCAP. Terra says her view is that the ACIR should do the shareholder resolutions since IC has already approved that. She doesn't know however if we are allowed to file resolutions. Bevis notes we can't file if we aren't investors. Terra says she agrees, but bigger issue is the process around getting this through. The IC approval for 4-637 is ambiguous and may not give approval for shareholder resolutions. Says ACIR needs to go over sustainability policy letter from IC last year. Asks if there are any further questions. Susan notes that these letters ask them to evaluate current practices, disclose them, and consider arguments for discontinuing them. Bevis says we don't have ability to file resolutions in our name until CCAP is approved by Board. Terra agrees, but says we should still get clarification so that we have clear procedures for future. Izza departs meeting. Bevis says that's fine. Malcolm says his understanding is that if a proxy is raised in companies in which we are invested in we	
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	now have the ability to vote on them. Bevis says that's different though, as we have a legal responsibility to vote on all proxies that come in. Filing a resolution however is very different. Terra says that sounds correct and clarifies that she believes clear operating procedures are important. Terra says question is now if ACIR wants TNS to sign onto these letters. Susan wonders if signing onto all letters weakens in comparison to sending only to those we are invested in. Chris says his understanding is that these letters are just signed by CERES with our backing. Terra asks that we find out which companies we hold shares in that they are sending shareholder resolutions to, sign onto those resolutions but do not file them, and find clarification on letters and how they are sent (j/b) Malcolm asks for clarification on how letters are sent. Terra notes that CERES is a coalition not an organization, so letters come from all investors not CERES. Bevis says we should look at resolutions before deciding to support. Terra says J/B should send shareholder resolutions to committee for review so that we can then decide to vote on whether ACIR should support. Terra suggests committee vote on supporting letters, and then hold off on resolutions until later. Bevis says he needs to leave. Terra asks for a vote before he leaves. Bevis says he thought we would wait for clarification on authority before voting.	
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	Terra clarifies that this is for the letters only, voting for resolutions will be put on hold until we have clarification on our authority. The vote is for signing onto letters only. Malcolm supports voting in that way. Asks if we are supporting these letters along with CERES and sending to committee. Bevis expresses concern about sending these letters to companies signed by TNS without letting the Board see the letters first. Terra notes that this is well within the scope of our authority, given the sustainability guidelines on top of the authority given after SEC letter. Unless someone vetoes the decision, the proposal does not need to be seen by Board. If there is a concern that this is a strategically unwise decision then it should move to Board. The context was that we wanted dialogue with these companies in respect the SVG. Decision was made in broader discussion on how to implement SVG. Terra notes that we have been in communication with IMs about SVG. Terra proposes that committee draft up one pager regarding procedure in the name of the newschool. Malcolm thinks that's a very good idea. Have this letter question in back of mind when writing one pager. Chris asks for timeline on when letters are being sent Terra notes that timeline for everything would be useful. In addition, we should be more formally involved with CERES. What are benefits and costs. Conversation at next meeting if ACIR wants to do that.	
4. Low-carbon Case	Terra brings up website - one is link and two design of site. Notes that this issue is very important because we are conduit between Board, DVZ, and community. People need to be able to find the	J/B and Chris to tell Oscar where link should be

Competition Sponsor	information we have or we aren't doing our job. Terra says someone needs to be in charge of getting the link up and getting the template implemented. Terra says instead of debating where the link was, we should just tell him where it should be. Chris says they may not put it on president's page Susan says it may work under Provost page. Chris says it could also be made more prominent on Sustainability page. Terra asks J/B and Chris to push further with this issue. Terra now moves conversation to Low carbon case. Gives summary on this agenda item, there is a group with money to make a case study with carbon portfolio issue. The group is made up of business students who will be evaluated on the analysis of their case. The students with the best investment portfolio proposal win a cash prize and they reached out to Terra because they would like to have the event in nyc. It would be a chance to educate students on this issue, and it's right up the alley of the CCAP. Terra says there may be some costs associated with hosting the event. Susan says the proper place to go is Director of Public Programming. Her name is Jessica and would know how to run these things. She reports to Peter. Chris notes that this is an opportunity to be co-sponsored by Sustainability Office. Terra says we should endorse the event and will explore possibility of hosting. Terra says someone should be in charge of communicating with group. Malcolm supports. Susan says she supports exploring the possibility, but we needs more information - especially about group makeup.	Susan to begin process of assessing possibility to host event in spring
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	Terra gives more details on who is in the group and how it is composed. Terra asks who would want to be point person for this project. Susan volunteers to be point person for this project, but if things gets overwhelming will need to drop it. Terra suggests looping J/B into conversation so they can follow up on issues. Terra congratulates everyone on the work. Adjourns meeting.	
5. Faculty Member Application	Terra gives summary of application, confirms that Charles is full time. No further questions	
5. Action Items Update		