

University of Rochester
Ethical Investment Advisory Committee
Meeting Notes of November 12, 2018

The following Committee and *ex-officio* members participated:

Randall Curren, Chair, Department of Philosophy
Robert Foster, Professor, Department of Anthropology
Doug Phillips, Senior Vice President for Institutional Resources (*ex-officio*)
Henry Scharfe, Undergraduate student, Class of '19
Randall Stone, Professor, Department of Political Science (*Chair*)

The following Committee members were unable to attend:

Lauren Caruso, Assistant Director, Rochester Center for Community Leadership
Dan Curran, Graduate student, Chemistry

Also present were the following University staff and guests:

Jake Conway*, Investment Office
Tammy Lancy*, Investment Office

* *by phone*

Professor Stone asked if anyone had changes to the October 1 meeting and October 25 town hall meeting notes. The notes were approved as submitted.

The Committee discussed the outcome from the town hall meetings.

- Transparency was discussed. The Committee agreed to post meeting notes on the website.
- A possible request to the Board of Trustees Investment Committee to prohibit future direct investments in coal production, tar sands, private prisons, etc. was discussed. Mr. Phillips reiterated that the University does not currently own direct investments in coal, tar sands or private prisons; however, the portfolio does have a few small coal company holdings in pooled funds (totaling less than 0.25% of the endowment). The Committee agreed to conduct research to determine in which areas they would like to recommend no direct investments. With the EIAC's input, the Investment Office will prepare a report to accompany the EIAC's recommendation to the Investment Committee for the February 2019 meeting. Prior to that meeting, Professor Stone will present the topic to the Faculty Senate and introduce the idea at the November Investment Committee meeting. Mr. Phillips agreed that the Investment Office will add a question about direct

investments in these industries to the annual investment manager questionnaires (sent in early 2019).

- A number of other investment areas of potential concern were raised, including oil production from shale. Mr. Phillips that total oil, gas and related investments comprise 5.8% of the investment pool. Other issues discussed included alcohol, tobacco, munitions and firearms. The consensus was that we should recommend forward-looking screens only in areas that enjoy broad ethical consensus in the University community, but all of these issues are open for discussion.
- The Association for the Advancement of Sustainability in Higher Education (AASHE) Sustainability Tracking, Assessment & Rating System (STARS) participation. The Committee received a request for response to the annual STARS survey about the endowment policy's commitment to sustainability. The Investment Office will respond to the survey, as it has in past years.
- Inclusion of alumni in EIAC. The Committee agreed to consider including a member of the alumni community on the EIAC. Mr. Phillips and Professor Stone will discuss this idea with Senior Vice President & Chief Advancement Officer, Tom Farrell, and provide a list of candidates to the Committee.
- Local investments were suggested as a way to support local economy. Mr. Phillips explained that previous investments in local companies have not performed well. He restated the observation by other EIAC members that the University itself supports the economy.

The next EIAC meeting will be February 4, 3:30-5:00pm in the Philosophy Library, Lattimore Hall, 5th floor.

TSL 11/15/2018