SOCIALLY RESPONSIBLE INVESTING ADVISORY COUNCIL
(FORMERLY SOCIALLY RESPONSIBLE INVESTING WORK GROUP)

CHRONOLOGICAL SUMMARY OF MEETINGS
March 4, 2016 to March 20, 2019

3/4/16 Claire Burlingham gave a brief update on the coal divestment document that the Investment Subcommittee (ISC) released in February. The Council discussed the ongoing reorganization of the Clean Energy Fund (CEF) and how this reorganization might align with the efforts of the SRIAC. Chuck Schnitzlein and Elizabeth Palchak gave an overview of financial terms. Gioia Thompson gave an overview of upcoming discussions related to the Climate Action Plan including a shift to “net zero energy” and the Office of Sustainability.

4/1/16 The CEF discussion is ongoing and will likely affect SRIAC in some way. There is a working group meeting regularly to assess and reorganize the CEF. The Council discussed the Green Century Fund as a potential research topic as per the charge from Richard Cate, VP for Finance. Liz displayed the Excel spreadsheet outlining UVM’s cash assets holdings. The Council agreed that researching the Green Century Fund and other options could be a useful place to start.

9/15/16 The Advisory Council discussed a resolution headed to the Board of Trustees (BOT) to add the following areas of focus to the SRIAC’s role: 1) to advise Richard and make recommendations on Operating Reserves 2) assist the Office of Sustainability with STARS (Sustainability Tracking, Assessment and Rating System), etc. and 3) administration of the CEF. Claire, Gioia and others asked to look at the CEF made a recommendation to Richard Cate that suggested three areas of focus for the CEF: 1) Academics and Co-Curricular Education – seminars, etc. 2) Infrastructure – projects on campus 3) Innovative Research – to fund primarily student research on clean energy initiatives. Gioia Thompson described the background of the CEF including current funding available as well as areas of improvement that might be needed. The internship program was also discussed and that it might possibly be better housed in the Office of Undergraduate Research.

9/29/16 The new charter was approved yesterday by the ISC which was supportive of the recent changes. The next hurdle will be the Budget, Finance and Investment Committee (BFI). Student internships were discussed focusing on finding a partner and the resources that were needed to make this happen. Criticism surrounding Al Gore’s recent visit was discussed even though in reality no CEF funds were expended for the visit. As a part of preparing for a visit by Ray Murphy from Wells Fargo, various approaches for developing investment guidelines were discussed, including the Century Green Fund and STARS criteria.
11/11/16  The Advisory Council discussed funding a Wind Turbine Proposal which requested $12,000. A vote was taken, and the proposal passed. Claire and Liz discussed presenting to Richard Watts’ class on the restructuring of the CEF/SRIAC which went well. They will present to the Student Government Association (SGA) next. In addition, Professor Jon Erickson, Blittersdorf Professor, attended the meeting and offered help on the Climate Action Plan, while also expressing disappointment in the lack of leadership on climate change at the Provost and President level. At the same time, the provost wants a Certificate in Climate Change or minor/major, and has said that UVM will be a leader, so there is an opening.

2/23/17  The Grossman School of Business will be starting a Sustainability Entrepreneurship MBA (SE MBA) student managed portfolio which will be managed by students using Socially Responsible Investing (SRI) criteria. In addition, the new structure of the Clean Energy Fund was reviewed, in which research proposals will be facilitated through the Graduate College and Honors College while the Town Hall will be focused on the use of funds. The topic of divesting from TD Bank as the 7th largest investor in the Dakota Access Pipeline was also discussed, as well as alternative ways of disengaging with the bank (e.g. preventing direct marketing). Finally, the Council discussed the possibility of pursuing a new model for the Clean Energy Internship program in which 4 students would be fully funded instead of 7 partially.

4/7/17  The Clean Energy Fund Forum was discussed which had an estimated 30-40 attendees who were engaged and pleased with the event. Chuck shared that there is a new track in the SEMBA program focused on finance in which the students would be charged with running an Environmental, Social, and Governance (ESG) impact portfolio, centered on ESG impact investing. Chuck is asking for $1 million to support the creation of this fund. Claire and the Foundation Controller are receptive. In addition, the status of the Catamount Innovation Fund and CEF proposal criteria were reviewed.

4/13/17  Elizabeth gave an update on meetings with the TD Bank divestment group, which was interested in SRIAC’s idea of adding a proxy voting guideline related to pipelines (or something similar), as well as with students from the Renewable Energy Network (REN) interested in developing a CEF proposal next fall. The remainder of the meeting was spent discussing the details of the rubric for selecting CEF proposals including how to measure a proposal’s “potential for impact”.

4/28/17  This meeting was devoted to the consideration of the following CEF proposals listed below. In addition, during a discussion at the outset of the meeting about member transitions, Elizabeth was asked to propose a process for selecting Advisory Council members and to bring this to the next meeting for consideration.
The CEF proposals that were discussed during the meeting are:

- **Idle Reduction**: The suggestion was made to fund the idle reduction proposal with the caveat that once the pay-back period is complete (6-8 months) that the monies be returned to the CEF.

- **Building Dashboard**: Concern was expressed about the efficacy of this technology actually saving energy. The Council requested additional information by the next meeting.

- **Energy Action Seminar**: With strong support from forum comment cards, strong support from members of SRIAC, the Council chose to fund this proposal minus the $1,400 allocated in the budget to food costs.

- **Headwaters**: Interest in funding a portion of the proposal, either the energy debate or the journalism competition. Elizabeth will reach out for more details.

9/22/17 In a discussion of last semester’s energy dashboard proposal to the CEF, Hilary Byerly suggested that behavioral research experts at UVM be connected directly with Michelle Smith and Gioia instead of using a SRIAC meeting to discuss ideas. The remainder of the meeting was devoted to the topic of Socially Responsible Investing, informed by Ray Murphy, a guest speaker from Wells Fargo. Ray provided an overview of financial concepts and terminology, as well as specific funds and opportunities to consider (e.g. Calvert, Green Bonds, possibly hiring a manager to trade in the corporate space, etc.)

9/29/17 The Council discussed the visit by Ray Murphy from Wells Fargo and the possibility of hiring him, including risks of trading in the bond market as well as ethical considerations of working with Wells Fargo. In addition, a representative from the **No-idling Proposal** team attended the meeting to answer questions and receive feedback. Topics discussed included the cost of monitoring fuel savings, concerns over using CEF as a revolving fund, determining how to measure the project’s impacts, among others. The council will vote on the proposal next week.

10/6/17 The following CEF proposals were discussed during the meeting:

- **No Idling Proposal**: This proposal was approved, contingent upon the submission of a detailed $10,000 budget.

- **Human Powered Vehicle Challenge (HPVC)**: This competition is meant to design a bike. The Council wanted more detail on how this will improve bike safety, etc.

- **Clean Speed 4**: Concerns that would need to be answered before moving forward include the availability of other funding sources, what happens with the car after the race is over, how many students are involved in AERO, etc.

- **Race to Net Zero**: The Council raised a number of concerns with this proposal, including a better justification for the budget and travel requirement, the need to include carbon offsets, and having alternative funding opportunities.
The following proposals were considered as candidates for receiving forum invitations:

- **HPVC:** Invited. Asked to focus the presentation on the impacts to the campus community.
- **AERO:** Invited. AERO has been funded at least two previous times. Asked to focus the presentation on the impacts to the campus community.
- **Renewable Energy Network (REN):** Invited. The course needs to be opened to more students and focus more on campus impacts and benefiting the rest of the university community.
- **Race to Net Zero:** Not invited. The fund does not support professional development opportunities.
- **Battery-Electric Powered:** Not invited. Asked to resubmit next spring and to include transportation staff to make the proposal stronger.

The following CEF Proposals were reviewed and voted upon:

- **HPVC:** Not funded. The proposal was seen as benefiting a limited number of students without a clear connection to CEF goals.
- **AERO:** Not funded. Members expressed doubts that this proposal supports the university community with a club of only about 30 students. Better suited funding sources are likely available elsewhere.
- **REN:** Funding was provided for guest speakers only. The Council was against funding travel costs or a course available to a limited number of students.
- **Bailey Howe Lighting Project:** More information needed. The Council questioned the current design and wanted to investigate retrofitting one floor instead of two, among other alternatives.
- **Bike share:** More information needed. In addition to the concerns expressed earlier about safety, members took issue with the upfront cost, financial viability, and the methodology for measuring impacts.

The following CEF Proposals were reviewed and voted upon:

- **Bailey Howe Lighting Project:** Funding was approved for one floor of the project. Within this context, there was also discussion around the role of the CEF in an energy efficiency project.
- **Bike share:** Approved for next steps. The Council will ask the applicants to understand the timing needs for a decision. There was overall support, questions remained regarding safety and liability, the $25 student fee, alternative funding sources, who else is paying for other hubs around town, etc.

Richard Cate, VP for Finance, came to discuss the background, objectives, and role the Council has in supporting the CEF and the Operating Reserves. For the CEF, he expressed particular interest in the impact of the fund has on students and their research opportunities. Regarding the Operating Reserve, Richard explained the reserve’s modest
returns are due in part to constraints of university policy and the cash management policy of the BOT. The job of the SRIAC is to infuse the management of the Reserve with SRI guidelines with help from the current manager, Wells Fargo, and from organizations like the Association for the Advancement of Sustainability in Higher Education (AASHE).

2/6/18
Subcommittees were formed that will meet at some point this semester to move efforts forward on CEF and Operating Reserves, the SRIAC’s two main objectives. The plan is to deliver several options/recommendations to Richard by the end of the semester on how to move forward for the Operating Reserve, including the consideration of other financial advisory companies such as Mirova or Wellington Management in Boston. The Council also examined a range of other investment topics and characteristics, such as the Green Bond market, investment mark-up, comingled funds, credit level rating, and the categorization of ethical investments based on UN Responsible Investments criteria.

2/22/18
The Council invited representatives from Mirova investment management company which engaged in an in-depth discussion of the Green Bond market. Mirova explained that Green Bonds are ordinary bonds, traded in the usual way, that also abide by a set of principles. All money collected must be used for a specific project, such as energy efficiency, renewable energy, transportation, etc., which allows carbon accounting to be captured. Mirova’s Green Bond target is set to be in compliance with the 2 degree scenario, stipulated by the IPCC, Mirova also measures sustainability against the Sustainable Development Goals including fresh water, diversity, etc.

4/5/18
After a discussion of ways to boost attendance at meetings when proposals are presented, the following CEF Proposals were voted upon and discussed:

- **SunShares**: Not funded. Unclear how on campus students could benefit. Not an appropriate use of CEF funds.
- **Building Coalition/Hempcrete**: Not funded, with encouragement to return. Appealing concept, but lacking in clarity of purpose and details, for example, understanding of building codes, regulations, etc.
- **Covered Bike Racks**: Vote for funding postponed until fall. Strong fit with CEF objectives, but insufficient details about cost, stakeholder input.
- **RSENR**: No vote, more discussion needed. Questions include why does this type of audit have to be so expensive? What does the energy manager say?
- **AERO**: No vote, more discussion needed. It appears the proposal still has not answered the question of how to reach more students.

5/1/18
The following CEF proposals were discussed and voted upon:

- **Waste to Clean Energy**: More information needed. Need to find out if course is listed, what funding would provide, define role of coordinator, etc.
- **Sustainable Transportation Initiative**: Funded, contingent upon (a) identifying additional ways to evaluate the success of this effort and (b) increasing student
outreach beyond social media. Suggested rethinking budget/flexibility given small proposal size.

- **Rubenstein Net Zero**: No quorum for a vote. Discussed concern over using CEF funds to pay for building audits. Require partial contribution as possible alternative, for further discussion next meeting.

**9/12/18**

The Council’s final report last spring recommended the selection of Dana Investments as the manager for the Green Bonds. $10 million has been transferred to Dana Investments which has invested a little over $1 million thus far. Chuck described moving forward with the development of a course focused on sustainable finance strategies. Today as a whole, most university funds are not in fossil fuel free investments while at the same time, all of the Operating Reserves meet the criteria of the SRIAC screen which means about 1/3 of university funds are in fossil free investments.

**9/26/18**

The Council discussed the possibility of capturing the impact of CEF funded projects and the approaches for measuring this impact. An update was provided from the climate action rally. Eric stood in for Elizabeth and was on a student panel representing SRIAC regarding climate/campus activism and the challenges being faced. Also, while there was not time for an in-depth discussion of semester goals, there was general agreement that aligning STARS with semester goals (re: investments) makes sense.

**10/10/18**

During the course of considering which CEF proposals should be selected, the Council continued the ongoing discussion of how to assess the impact of the CEF. For example, while students are very interested in solar on campus, this would do little to meet the overall energy goals of the university (~3%). Still, a lot of support was expressed for the **Covered Bike Parking**. The efficacy of the Sustainable Transportation Plan, the Sustainable Transportation Initiative, and Energy Action Seminar were all discussed as different approaches to changing behavior. The Council decided that presenters should respond by explaining (a) how the project meets the goals of the CEF and (b) how the impact is to be assessed. The Council also decided which of the proposal teams would be selected to make forum presentations.

**11/7/18**

The following CEF proposals were reviewed and voted upon:

- **Energy Competition**: Not funded. The Council suggested finding a partner to guide the thinking on this, such as Data Controls Team.
- **Sustainable Transportation**: Not funded. Lots of questions regarding impact. To inform future proposals, the Council decided to post the following documents to the web site: Active Transportation Plan, Office of Sustainability (OoS) Renewable Energy Siting Plan, and Campus Master Plan.
- **EcoPower Fitness**: Not funded. Not much energy created by the bikes.
- **Garden Shed**: Funded. Positive educational benefits. Also relates to storm water.
11/28/18 The following CEF proposals were reviewed and voted upon:

- **Green Labs**: More information needed. For example, the estimated payback on investment, cost of replacement freezers, and clarification on student involvement.
- **Energy Action Seminar**: More information needed. For example, the role of student interns, metrics of success, having a single point of contact responsible.
- **Covered Bike Parking**: Phase 1 funded. Fits with active transportation plan in that the plan recommended covered bike parking. Phase 2 would need to come back to this group.

1/17/19 General updates included news that funding is steadily being transferred to Dana Investments, the money manager replacing Wells Fargo. Rich Wolbach (Energy Manager at UVM) provided feedback on the **Green Labs** proposal, citing the need for a preventative maintenance program and detailed documentation. The departments would decide which freezers to purchase. Recommendations for next steps included following up with the Dean of Research and exploring the possible involvement of Burlington Electric to help buy-down the incremental cost difference. In addition, an update on the **Howe Lighting Project** was discussed, along with the news that installing daylight sensors and efficient lighting in library book stacks is seen one of the biggest opportunities for savings on campus and is expected to have a less than 3-year payback.

2/7/19 The meeting opened with a discussion of funding structures at the university level including the possibility of investing the CEF surplus in an ESG account as opposed to keeping it in the Operating Fund. In addition, the following CEF Proposals were discussed:

- **Carbon Offset Resource**: Did not have a quorum to vote. Discuss next meeting.
- **Storytelling Proposal**: Needs modifications. Having a photographer is too costly. House the project in the OoS. Need to incorporate the CampusBird project.
- **Wind Turbine**: Need more information. Concern expressed about the longevity of the technology. Will to find out status of Middlebury equivalent.

3/20/19 The following CEF proposals were reviewed and voted upon:

- **Wind Turbine**: Not funded. Concern was expressed about the age and reliability of the technology. The Council would rather support the installation of new technology which would possibly be able to utilize the Revolving Fund.
- **Solar Panel Signage**: Funded. Contingent upon using a student group to assist with graphic design.
- **Carbon Offset Resource**: Approved as a valuable resource for faculty and staff.
  Native Energy is $10/ton.
- **Storytelling Project**: Revised proposal requested. Concern expressed about the efficacy of a map, need for a CEF logo, and the amount of paper to make 1,000 maps.