



Increasing Transparency and Accountability regarding Green Investment
Resolution 22-23-08

Whereas: a core Jesuit value of the University of San Francisco is *Cura Personalis* - care of the whole person, including the physical, emotional, and financial well-being of USF's students; and

Whereas: students are critical stakeholders regarding the financial well-being and progressive values of the University of San Francisco; and

Whereas: transparency and accountability are fundamental values upon which trust is built between students and administrators. As such, the University of San Francisco has the responsibility to uphold these values regarding its investments; and

Whereas: the Associated Students of the University of San Francisco Senate approved Resolution 14-15-02, "*ASUSF Urges a University-wide Effort to Divest from Fossil Fuels*", calling for the University to:

- a. *"seek socially responsible investment alternatives and divest from fossil fuels to align with its mission, vision, and values and to be the leader in sustainability initiatives setting precedent for other universities",*
- b. *"form a Divestment Taskforce comprised of knowledgeable faculty, staff, and students from various departments on campus to propose a gradual divestment timeline, research investment alternatives, and ensure University divestment from fossil fuels"*
- c. *"provide insight into the current status of its investment portfolio to the Divestment Taskforce to allow for transparency, education, and corrective action to take place.";*¹and,

Whereas: The Investment Committee of the Board of Trustees of the University of San Francisco has had an Undergraduate Student Representative on its roster since 2019, and the student(s) that have served in that role have been recommended by the University of San Francisco School of Management; and

¹ Resolution 14-15-02, Associated Students of the University of San Francisco



Whereas: The Investment Committee of the Board of Trustees of the University of San Francisco issued a statement in March 2020 to divest from public securities and cease to make any new investments in any company or fund whose primary business is the exploration or extraction of fossil fuels. Although the stated goal is to “*achieve full divestment going forward*”, and “*seek investments in renewable energy, energy efficiency, and other companies contributing to our transition to a more sustainable world*”²; there are some investment vehicles where the University has no visibility into or the ability to control the holdings in the investment; and

Whereas: The Investment Committee has taken actions when possible and financially prudent to carry out fossil fuel divestment and pursue green investment since Resolution 14-15-02, however most of those actions have not been communicated to students or other members of the USF community; and

Whereas: The University of San Francisco’s 2021-2022 audited financial statement indicates the University has a fair value of USD \$14,353,000 in real asset funds³, consisting of “*investments in real estate funds and natural resource funds*”⁴ and that the “*natural resources funds are invested mainly in the energy sector*”⁵; and

Whereas: the University of San Francisco has not been sufficiently transparent regarding their progress towards the aforementioned resolved statements in Resolution 14-15-02, e.g., consistent updates on the Office of Finance and Treasury website consisting of disclosure of the progress or procedural hurdles to fulfill the aforementioned goals, for students to monitor and ensure University divestment from fossil fuels, and

Whereas: the ASUSF Senate understands that there could be *force majeure* events or issues that lead to the delay in progress towards the goals in Resolution 14-15-02; however, it does not absolve the University from its ability to be transparent to students regarding said difficulties; therefore, be it

Resolved by the Associated Students of the University of San Francisco Senate in its role as the sole representative body of all the undergraduate students of the University of San Francisco that the following be enacted:

Resolved: The University of San Francisco restates its commitment to the implementation of Resolution 14-15-02 and its goals for full divestment from fossil fuels; furthermore, be it

² “Statement on Fossil Fuel Divestment”, Investment Committee of the Board of Trustees

³ Page 22, USF Audited Financial Statements 2021 - 2022

⁴ Page 23, USF Audited Financial Statements 2021 - 2022

⁵ Page 23, USF Audited Financial Statements 2021 - 2022



Resolved: The University of San Francisco increase transparency with students regarding the progress and timeline of implementation of divesting from fossil fuels; furthermore, be it

Resolved: The University of San Francisco includes metrics on its progress in fossil fuel divestment on a website accessible to students, e.g., a section on the Office of Finance and Treasury website, that restates its commitment to divesting from fossil fuels and the timeline for its implementation.

Submitted by:

Ryan Mak, *At-Large Pre-Law Representative*

Supported by:

Stephanie Dang, *Director of Finance & Treasury Operations*

Kathryn Farber, *Environmental Engineering and Science Club President*

Presented to the Senate on:

February 22, 2023

Passed by the Senate on:

March 1, 2023

Signed by:

Ethan Lee Bellows,
ASUSF President



Appendix I: Resolution 14-15-02 from the ASUSF Archives

Resolved: We proudly recognize the immense contribution of Father Privett and congratulate him on his retirement from the University of San Francisco.

13-14-06: *RESOLUTION IN SOLIDARITY WITH THE USF WITHOUT THEIR QUOTA EDUCATIONAL DEMONSTRATION*

Submitted: April 22, 2014

Submitted by:

Approved: April 29, 2014

Resolved: We stand in solidarity with the students who participated in the USF Without Their Quota Education Demonstration and seek for future progress with the issue.

2014-2015

14-15-01: *Welcoming Father Paul J. Fitzgerald, S.J. as the 28th President of the University of San Francisco*

Submitted:

Submitted by: Nick Fargoso

Approved: September 14, 2014

Resolved: The ASUSF Senate affirms the Board of Trustees' selection of Father Paul J. Fitzgerald, S.J. to be the university's 28th president and we welcome him to our campus.

14-15-02: *ASUSF Urges a University-wide Effort to Divest from Fossil Fuels*

Submitted:

Submitted by: Ronald De Guzman
Nick Fragoso
Shaya Kara
Brenda Lu
Madeleine Shelton
Tyler Warner
Kristina Ybarra

Approved: September 14, 2014

Resolved: That the University seeks socially responsible investment alternatives and divest from fossil fuels to align with its mission, vision, and values and to be the leader in sustainability initiatives setting precedent for other universities; furthermore, be it

Resolved: That the University form a Divestment Taskforce comprised of knowledgeable faculty, staff, and students from various departments on campus to propose a gradual divestment timeline, research investment alternatives, and ensure University divestment from fossil fuels; furthermore, be it

Resolved: That the University provides insight into the current status of its investment portfolio to the Divestment Taskforce to allow for transparency, education, and corrective action to take place.

14-15-03: *Referendum to Increase the Student Activity Fee Starting FY2016-2017*

Submitted:

Submitted by: Nick Zhidong Wu, ASUSF Senate Vice President of Business Administration



Appendix II: “Statement on Fossil Fuel Divestment” from the Investment Committee



**Investment Committee of the Board of Trustees
Statement on Fossil Fuel Divestment
March 10, 2020**

1. The University of San Francisco will continue to seek investments in renewable energy, energy efficiency, and other companies contributing to our transition to a more sustainable world provided that these investments target a market rate of return on par with similar assets in the endowment.
2. The University of San Francisco will cease making new investments in any company or fund whose primary business is the exploration or extraction of fossil fuels, including all forms of coal, oil, and natural gas.
3. The University of San Francisco will divest from public securities of any company whose primary business is the exploration or extraction of fossil fuels, including all forms of coal, oil, and natural gas, within the next twelve months.
4. The University of San Francisco will divest from private partnership investments in any company or fund whose primary business is the exploration or extraction of fossil fuels, including all forms of coal, oil, and natural gas, as these partnerships mature.[1] The University will divest fossil fuel holdings at the earliest opportunity during this time in a manner that is both financially responsible and expeditious.
5. Although the University intends to achieve full divestment going forward, some commingled investment funds may hold exposures to fossil fuel companies. The University of San Francisco will prudently evaluate these managers on a case-by-case basis.

[1] The University is committed to divesting from private partnership investments as soon as it is prudent because private investments often involve binding multi-year commitments. The University needs flexibility in divesting from private investments during this time to avoid incurring substantial losses by withdrawing from these private investments before they reach maturity.