



Cornell University
University Assembly

Minutes
University Assembly
April 21st, 2015
4:30pm - 6:00pm
401 Physical Science Bldg.

I. Call to Order

The meeting was called to order at 4:30 P.M.

Attendance:

Present: R. Adessa, S. Balik, J. Batista, M. Battaglia, J. Bergfalk, C. Best, J. Blair, R. Booker, J. Burns, M. Hatch, E. Johnston, N. La Celle, E. Loew, C. McGrath, G. Mezey, R. Wayne, K. Wong

Absent: J. Barnett

Others Present: J. DeStefano, AJ Edwards, G. Giambattista, R. Howarth, M. Indimine, G. Kaufman, J. Rowland, D. Shalloway, U. Smith, A. Thomas

Call for Late Additions

Three items were requested additions to the Agenda. The first was the Shared Governance Joint Declaration in Honor and Celebration of President David J. Skorton. The second was an update on Resolution #8 (revised), which is the Campus Planning Committee Charter update. The third was UA Resolution #14, which is a Bylaws Change appointing a liaison to the Student Insurance Advisory Committee. Members accepted the additions and agreed to hear them after the Introduction of UA Resolution #13.

II. Approval of Minutes

Minutes of April 7, 2015 were approved by unanimous consent.

III. Abbreviated Updates

Executive Committee & Constituent Assembly Updates

J. Blair said that the University Assembly (UA) has been invited to be a full voting member on the Student Insurance Advisory Committee. He reported the UA is expected to become a member of the Health Fee Advisory Committee once it is established. The Policy 6.4 working group had its first meeting on April 15. A concern was that there was no Employee Assembly or Faculty Senate representative at the meeting. It was not clear whether these Assemblies had appointed representatives. J. Blair requested these Assemblies determine if they had made an appointment and, if not, to please do so in the near future. The working group will be soliciting public feedback on Policy 6.4 soon. Blair then reported there are now 16 of 18 seats filled on

next year's UA. On May 5, there will be a UA meeting to close out remaining items from this legislative session, followed by an organizational meeting for next year's Assembly. Finally, Blair reported that President Skorton has accepted UA Resolution 4 and a faculty advisor will be appointed to the Office of the Judicial Codes Counselor. President Skorton has also responded to UA Resolution 5 (Support for the Office of the Ombudsman) where he has agreed to take the UA's request to fund a new Assistant Ombudsman under consideration, but will ensure the new Ombudsman will get time with President-elect Garrett within her first 6 months in office.

IV. Business of the Day

For Discussion: UA Resolution #12: Charge of the Pedestrian Safety Review Working Group

M. Battaglia said that this Resolution is largely intact from its initial form, but that some of the operative clauses have been changed. M. Battaglia motioned to amend line 21 to read "academic year" instead of "semester." The amendment to line 21 was adopted. The Resolution will be brought to vote on May 5 as UA Resolution 12 REVISED.

For Introduction: UA Resolution #13: Recognition of Outstanding Support to the AY 2015 Legislative Session

J. Blair introduced this Resolution and stated his intent that it should be brought forward to a vote on May 5. Members agreed.

For Vote: Shared Governance Joint Declaration in Honor and Celebration of President David J. Skorton

J. Blair asked if there were any questions on this Joint Declaration. There were none. M. Battaglia motioned to approve this Joint Declaration. G. Mezey seconded the motion. The Joint Declaration was passed by a vote of 14-0-0.

Update on UA Resolution #8: Updating the Charter of the Campus Planning Committee in the University Assembly Bylaws

J. Blair said that Campus Planning Committee formally approved the revised Charter earlier in the day. The UA Campus Planning Committee Advisor, and UA Chair and Vice Chair, have reviewed the changes from the original Resolution 8 and believe they are acceptable. The updated wording was presented to Members as UA Resolution 8 REVISED. This Resolution will be brought to a vote during the May 5 meeting.

UA Resolution #14: Appointing a Liaison to the Student Insurance Advisory Committee

As reported in the UA Executive Committee update, J. Blair said that this item is the result of follow-on discussions with Dr. Corson-Rikert. The Chair of the Student Insurance Advisory Committee (SIAC) has offered the UA a seat on the SIAC as a full voting member. This Resolution would codify that relationship in our UA Bylaws. This Resolution will be presented for debate and vote at the next meeting on May 5.

Towards New Destinations Presentation

U. Smith said that he has been tasked to make shared governance groups part of TND (Toward New Destinations) initiatives. He clarified that TND is not a plan, but that it is a framework. A plan does not necessarily give people a directive. All units, schools, colleges must choose initiatives. The four core principles are composition, inclusion, engagement, and achievement.

TND wants people to focus on how to engage diverse people. This year's theme will be *The Lived Experience of Diversity*. Some changes that are being made include decreasing the number of initiatives. Smith said that people should utilize the appropriate committee to develop their initiatives, and make sure they publicize them. The federal landscape is changing. TND needs the Assemblies' help on focusing on LGBTQ+ initiatives, Disability Initiatives, and Code/Policy Initiatives. C. Best asked whether the Assemblies are considered a unit of the university. U. Smith said that for their purposes, we are considered a unit under the Office of the Assemblies. As time had expired, J. Blair said that if members have any other questions, please send them directly to him or Mr. Smith. In addition, Blair noted that U. Smith will serve on the University Assembly again effective June 1. Blair congratulated Smith on his appointment and thanked him for his presentation.

For Re-Introduction: UA Resolution #6: Divestment from Companies producing Fossil Fuels and Holding Fossil Fuel Reserves

J. Blair declared M. Battaglia Chair Pro Tem due to a conflict of interest regarding this Resolution. M. Battaglia said that AJ Edwards and J. Destefano made a request to speak second. Destefano said her rationale is that they cannot refute a resolution without first hearing the justification for it. G. Mezey said he has no objections to allowing them to speak second. M. Hatch said he prefers if they present right after the Introduction of the Resolution because all of his arguments have been transparent. M. Battaglia said that the Assembly in the past has approved courteous requests. He asked who was in favor of deviating from the Agenda and allowing J. Destefano and AJ Edwards to go second. By a vote of 7-5-1, they voted to deviate from the Orders of the Day and to allow Those Opposed to speak after Those in Favor. M. Hatch said that there have been 3 additional sponsors of the Resolution: Professor Booker, Professor Loew, and Catherine Wong. Hatch said that Those who are For and Opposed to the resolution essentially agree on most of the Whereases of the Resolution. The sponsors have asked the Cornell administration for their argument against divestment and for their evidence, but they have not received anything. He claimed that they, however, have presented evidence supporting their arguments, and have also included the financial aspects of divesting. If Cornell had divested a year ago, the University would have been in a better place financially, said Hatch. He asked that those Opposed should be specific and not general when speaking.

Presentation by Those in Favor of the Resolution

D. Shalloway said they are expanding reserves to maintain the short-term book value. They have done their best with research and journal articles. Administration claims that divestment will cost too much, but they have not received any data from them. The Resolution calls for a phased divestment over 20 years. They are talking about shifting the amount divested by less than 9.3 Million dollars/year. There is hardly any difference between the divestment index and the non-divestment index. Divestment will cause a tiny increase in the endowment income variation. J. Bergfalk said that Stanford's endowment is larger than Cornell's and that it is growing faster than the University's. What is environmentally unsustainable is financially unsustainable. This is a movement with sustained momentum. Fossil fuels will lag behind renewables. Clean energy means more jobs, and better ones.

Presentation by Those Opposed to the Resolution

AJ Edwards said that Energy represents about 7% of the LTI (Long Term Investment). Public

energy stock outperformance added ~\$100 million to the LTI over the last 10 years. Stanford and Syracuse do not hold securities directly. 55% of the LTI is illiquid. There are times when even Cornell cannot get capacity with the managers that they want to partner with. His goal is to continue to partner with the best-in-class managers and to be able to stay with them for long periods of time. Across the university, research grants have been flat. Undergrad financial aid has doubled over the past 5 or 6 years. He claimed that we did not fully divest from South Africa, but that we remained invested and adopted the Sullivan Principles. We have not funded projects that fall short of return/risk parameters. Edwards clarified that he is the Chief Investment Officer, while J. Destefano is the Chief Financial Officer. They do respect concerns on global carbon footprint. There is a real potential cost to divestment. J. Destefano said she thinks they are all concerned about environmental concerns. She said she does agree that Cornell can and should be a leader in sustainability and improving the environment, but she does not agree that divestment is the solution. Destefano said that until we can replace fossil fuels with alternative energies, there is going to be a demand for fossil fuels.

General Discussion and Debate of Resolution #6

M. Battaglia said the Chair has received one request for public comment from Joe Rowland. J. Rowland is an alum and local farmer, and is in favor of the Resolution. He said he thinks that the fossil fuel companies have really extended themselves a great deal with public relations and political campaign contributions; they have made it very difficult to move forward on a collaborative bipartisan approach. He said divestment is a lever by which we may move the energy paradigm, and he urged those who were unsure about the Resolution to vote in favor of it.

J. Burns said that line 47 of the Resolution says “financial analysis by the Cornell Faculty Senate...” but that he is unaware of the Faculty Senate doing any kind of financial analysis regarding fossil fuels. D. Shalloway said there was an Appendix to the Resolution and there was financial information in that Appendix. J. Burns said that the line should say “some Faculty Senators” or that portion should be dropped altogether. He wanted to strike “Faculty Senate” so the line only said that there was “financial analyses by many impartial bodies” E. Loew asked AJ Edwards if it was not possible for the financial managers Cornell has to take an additional 10 million dollars from the investment portfolio and reinvest it somewhere else. AJ Edwards said that if we are thinking about the future, we have to think about where the opportunities are. There are significant opportunities being created in the current environment because of dropping prices. Edwards said it is his job to always look for opportunities whether it is in the energy sector, or other sectors. R. Wayne asked him what his policy is in dealing with a faculty member, like Professor Shalloway, who comes in good faith about some issue such as this one. AJ Edwards said in general, the policy that has been established by the investment committee is that if someone is looking for specific information, they would make a request and be able to look at publicly related info. The private information, however, is not up for review. Edwards said that Professor Shalloway, as well as others, have met him several times and talked about issues in a significant amount of detail.

M. Hatch disagreed with the amendment that would eliminate the “Faculty Senate” from line 47 and proposed expanding the description. He said that the Resolution was passed with an appendix and that they should not stand away from the fact that the Faculty Senate supported the Resolution. G. Gimabattista said that J. Burns’ amendment needed to be dispatched of fully. J. Burns motioned to strike the portion about the Faculty Senate. G. Mezey seconded the motion

and said that he did not feel confident about keeping that line intact without having all the information because there seemed to be dissent. S. Balik said the Assembly would better to spend their time debating the heart of the matter, and encouraged both people motioning to amend the Resolution to withdraw their motions. R. Booker said that these motions to amend the Resolution are inconsequential.

M. Hatch called to question on the amendment, and J. Blair seconded his motion. By a vote of 7-6-3 the amendment carried, and the words were stricken from line 47. M. Battaglia noted that the meeting time had expired. M. Hatch motioned to extend the meeting and it was seconded. The meeting was extended to 6:15 P.M. J. Bergfalk said he had several comments. Firstly, it is a well-known fact that fossil fuels have underperformed their mission. He also asked why Cornell's manager issue is not an issue at these other schools. He would like to see more data and less scare tactics. There is no acknowledgement there about the problem of unburnable carbon. J. Batista said she had a question to the sponsors regarding the statement made by investment officers. S. Balik said that AJ Edwards contradicted himself several times when he talked about the way in which other schools, like Stanford and Syracuse, held securities. She also said that there were many people who commented on this Resolution who are not here at this meeting, but the UA does represent these people, so they should take what they say into account when they vote. G. Mezey said he wants to make sure that they represent the whole community, not just one specific sect. M. Hatch said that the UA received a letter from Katherine Leigh that contained 200 signatures. R. Booker said that there will be a different effect on different parts of the community. J. Blair said the issue of finance is not on point. The issue is about saving the planet. It is symbolic for the industry, as well as for Cornell. The negative effects for him are politicizing the endowment. He thinks that the financial downside or upside is small either way. There was a motion to call to question, which was seconded. G. Mezey dissented the call to question. By a vote of 11-5-0, the motion to call to question carried. UA Resolution #6 was passed by a vote of 11-4-1.

V. Late Additions to the Agenda

Late Additions were amendments of the Agenda.

VI. Adjournment

The meeting was adjourned at 6:17 P.M.

Respectfully submitted,

Vishal Bhaya
Assemblies Clerk