

To: The University Senate

From: University Resources Policy Committee

Subject: Request for an Investment Plan for the Purdue Endowment

Reference:

1. Senate Document 11-15: Charge of the Faculty Sustainability Committee
2. Source on COP 26 agreement where 18 countries, including the United States agreed to stop public financing for fossil fuel projects
<https://www.reuters.com/business/cop/19-countries-plan-cop26-deal-end-financing-fossil-fuels-abroad-sources-2021-11-03/>
3. Database on organizations engaging in divestment, definition of full divestment (Universities of Illinois, Maryland, Michigan, Minnesota): <https://divestmentdatabase.org>
4. Divestment of peer institutions:
 - 4.1. Divestment of Michigan
 - <https://record.umich.edu/articles/u-m-shifts-strategy-for-natural-resources-investments/>
 - <https://regents.umich.edu/files/meetings/05-21/2021-05-I-1.pdf>
 - 4.2. Divestment of Wisconsin – <https://secfac.wisc.edu/uw-faculty-senate-climate-divestment-and-procurement-resolution/>
 - 4.3. Divestment of Rutgers: <https://www.rutgers.edu/news/rutgers-divest-fossil-fuels>
 - 4.4. Divestment of University of California System:
 - <https://www.ucop.edu/investment-office/sustainable-investment/climate-change/index.html>
 - <https://senate.ucsd.edu/media/532544/cccc-disclosure-of-fossil-fuel-industry-funding-resolution-6-3-21.pdf>
 - 4.5. Additional information on university divestment efforts: <https://www.nytimes.com/2021/10/26/opinion/climate-change-divestment-fossil-fuels.html>

Disposition: University Senate for Discussion and Adoption

Rationale: The Purdue University Sustainability Committee is expected “to set five-year goals to advance the sustainability of the university” which

includes “transitioning to greater utilization of clean and renewable sources of energy” [1].

The Intergovernmental Panel on Climate Change (IPCC), the United Nations body for assessing the science related to climate change, has extensively described the existential crisis afforded by climate change. At the recent COP 26, signatories including the United States agreed to end international public financing for fossil fuels abroad [2].

Increasing numbers of Purdue’s peer and aspirational institutions are making a commitment to a full endowment divestment from fossil fuels, including Boston University, Columbia University, Cornell University, Harvard University, Rutgers University, University of Illinois, University of Maryland, University of Michigan, University of Minnesota, and the University of California system [3-4].

Proposal: The University Senate, as the representative voice of the faculty, calls upon Purdue University (including all affiliated campuses) and the Purdue Research Foundation (including the Purdue Foundation Endowment) to develop an Investment Plan that will commit to a divestment from investments in fossil fuels and greenhouse gas contributors and instead shift to investments in renewable resources.

We ask Purdue University and the Purdue University Research Foundation to develop a Renewable Resource Investment Plan with goals similar to those unanimously passed the University of Michigan Board of Regents [4.1]:

- A timeline to transition its endowment to net-zero greenhouse gas emissions while maintaining fiduciary duty to manage risks and maximize risk-adjusted returns.
- Concentrate energy-related investments in renewable energy investments.
- Discontinue directly investing in companies that are the largest contributors to greenhouse cases, currently defined as the top 100 public coal companies and top 100 public oil and gas companies as compiled in the Carbon Underground 200 list.
- Discontinue investing in funds whose primary focus is oil reserves, oil extraction or thermal coal extraction.

We call on Purdue University and the Purdue Research Foundation to present its Investment Plan by the end of fiscal year 2022-2023 (June 30, 2023).

Committee Votes:

For:

Faculty

Eugene Chan
Victor Chen
Laura Claxon
James Greenan
Lori Hoagland
Cara Kinnally
Janice Kritchevsky
Doug LaCount
Ann Weil
Yuan Yao

Against:

Faculty

Lin Nan
John McConnell

Abstained:

Faculty

Juan Sesmero

Absent:

Faculty

Tony Vyn

Students

Austin Berenda
Sophie Braun
Neha Shakelly

Advisors

Michael Cline
Carl Krieger