

DU BOARD OF TRUSTEES DIVESTMENT TASK FORCE OPENING COMMENTS

WELCOME

Good Morning. My name is Jim Griesemer and I want to welcome you to the first public meeting of the DU Board of Trustees Divestment Task Force.

Joining me on the task force are fellow DU trustees Cappy Shopneck and Craig Harrison. Cappy, Craig and I were asked by our DU Board Chair, Doug Scrivner, to serve on this task force for the purpose of examining the question of fossil fuel divestment.

This issue was brought before the DU Board of Trustees through a presentation by the Divest DU student group at the board's retreat meeting of April 14, 2016.

The student's presentation raised the issue of whether the University of Denver endowment should divest itself of investments in fossil fuel companies. While it is *not possible to do justice to a nearly one-hour presentation* in a few words, essentially the students began by focusing on the urgency of the climate crisis, its environmental costs and the University of Denver's moral obligation to combat it.

They made the point that there are few issues of greater universal importance to the public good than climate change, and as an institution dedicated to the public good, they believed it was imperative that DU treat the issue with the urgency it demands. The students believed that for DU, divestment from fossil fuels would be one of the greatest actions the school could take to fulfill its moral obligation to combat climate change.

The students' presentation was thoughtful and in coming meetings we will have an opportunity to explore their perspective as well as other views on the topic of fossil fuel divestment.

At that time of the presentation, DU board members indicated they would give the matter serious consideration. This task force is part of the board's process of considering the issue of fossil fuel divestment. Here is how the process will work.

THE PROCESS

Over the next three and one-half months, our task force will hear from a variety of experts and advocates on both sides of the issue of fossil fuel divestment.

We will do that through a series of hearings at which we will receive presentations on various aspects of the issue. After listening to the presentations, members of the task force will discuss the points made in the presentation with the presenters around the table.

I would note that DU is distinguished by the transparent processes of civil discourse it has used to consider difficult and complex matters. The most recent examples are:

- The DU IMPACT 2025 strategic planning process which involved hundreds of DU community members and,
- The Strategic Issues Program panel on the Future of Higher Education which was conducted in this very room and to which all members of the community were invited to be guest observers.

This approach is consistent with the University of Denver's values and the traditions of the academy: the *Rule of Reason*, the competitive *Marketplace of Ideas*, objective research leading to *Decisions Informed by Data*—all built on a process of *Civil Discourse*. These principles have defined legitimate academic institutions for over a thousand years; they underlie our society and are woven deep in the fabric of our civilization.

Consistent with these values, the purpose of our hearings is to inform the members of the task force so that we may provide the full DU board with a thorough and thoughtful assessment of the question of divestment.

While these meetings are primarily intended to inform the task force on the issue and are *not* intended as a forum for public debate, they are also designed to let members of our DU community, in effect, look over the shoulders of the task force and learn with us as we explore this issue.

There are two ways in which members of the community may observe the open sessions of the task force. First, these hearings are open to be observed by members of the DU community in person as guests here in the Anderson Academic Commons. Second, where presenters agree, a full, unedited, video recording of the presentations and task force discussions will be made available within a day or so of the meeting on DU's internal Portfolio website.

It is possible that presenters from private companies or other presenters may not agree to have video recordings made of their presentations and we will respect their wishes. If that is the case, the presentation will still be open to observers in person at the Anderson Academic Commons—that is a basic ground rule.

It is also possible that logistics may require the task force to interact with some presenters via video conference during hours other than planned hearing times. If that happens, a full video recording of the presentation and discussion will be made available on Portfolio. Whatever the method, the goal is maximum transparency of the presentation and discussion process.

Where possible, video recording is important, because the requirement that the task force deliver its report to the full board by next January greatly compresses our time frame and we recognize that many students and faculty are not available over the summer.

After the open hearings are concluded, the task force members will meet in private to consider what we have learned. Once we have arrived at a conclusion (which may or may not be unanimous), in the late fall we will write our report to the Board of Trustees and deliver it for consideration at the January board meeting. At that point, our work will be complete and a decision on divestment will be considered by the full DU Board of Trustees.

CONCURRENT ACTIVITIES – INVESTMENT COMMITTEE

In thinking about this process, it is important to recognize that, at any given moment, many activities are occurring in a complex organization like the University of Denver. About a year ago or more, the DU Board of Trustees Investment Committee began reconsidering the way in which the university handled the management of its endowment.

The concern had nothing to do with divestment of fossil fuel investments. Rather, the focus was maximizing (for a given level of risk) DU's return on investments in order to provide support for the university and, especially, to provide maximum scholarship dollars for talented students who could not attend DU without financial assistance. Cappy, Craig and I can say from personal experience that financial support for students is a major priority of the DU Board of Trustees.

The process of reconsidering the management of DU's endowment was divided into two parts. The first was a broad assessment of various approaches available to the University of Denver and an evaluation as to

what other institutions were doing. We are fortunate that Cappy Shopneck chaired the first portion of this process. Cappy can provide a brief description of the process that she chaired looking into the broad question of various approaches to endowment management.

As Cappy indicated, the second part of the process was the selection of a firm to manage the university's endowment. A separate task force of trustees was appointed to manage the investment manager selection process and neither Cappy, Craig nor I are involved in that process.

I mention this because the investment manager selection process, which began almost a year before this task force was constituted, could make a decision before the report from our group is acted upon by the Board of Trustees. Cappy, Craig and I have no idea what decision might be made and when, but I mention this as a matter of information. Real life is not always orderly, nor are organizational processes, and I bring this up only to let you know of other related activities taking place.

CLIMATE CHANGE

Finally, I would like to summarize our task force position on climate change. It is our view that, if we were to refute the notion of climate change and reject the idea that the burning of fossil played a role in climate change, there would be *nothing to discuss and little reason to proceed with this process.*

While we recognize that not everyone agrees about climate change or the role of fossil fuels as a catalyst for global warming, we find ourselves persuaded by the findings of the National Aeronautics and Space Administration (NASA). In a statement on Global Climate Change (<http://climate.nasa.gov/scientific-consensus/>), NASA notes the following:

- “Multiple studies published in peer-reviewed scientific journals... agree [that]: Climate-warming trends over the past century are extremely likely due to human activities.” and, “most of the leading scientific organizations worldwide have issued public statements endorsing this position.”
- They conclude, “Observations throughout the world make it clear that climate change is occurring, and rigorous scientific research demonstrates that the greenhouse gases emitted by human activities are the primary driver.”

There are, of course, hundreds of scientific studies on the topic, but the charge of this task force is *not* to debate the issue of global warming—we could be here for years doing nothing but that. And so, we begin our work by accepting the reality of global warming and the probability that the burning of fossil fuels is a significant, perhaps the major, contributor to this genuine problem, one which we all—institutions and individuals—have a moral responsibility to address with the sense of urgency urged on us by our DU Divest DU students.

How we do so in the most effective manner is the question this task force plans to address.