Announcement of Advisory Committee on
Socially Responsible Investing

At the recommendation of President Rupp, the University Trustees have directed that he appoint an Advisory Committee on Socially Responsible Investing to advise the Trustees on ethical and social issues that arise in the management of the investments in the University’s endowment. The Committee will provide a permanent channel for conveying to the University Trustees concerns of the Columbia community regarding socially responsible investing issues and the endowment. The University has not had such a mechanism since the 1980’s, when a committee of the University Senate played an active role in examining the question of endowment investments in South Africa. The specific proposal that has been approved by the University Trustees was developed over the last two months by a working group composed of members of the administration, undergraduate and graduate students active in student government or in organizations promoting socially responsible investing, and interested faculty.

The new Advisory Committee will be composed of students, faculty, and alumni representatives (four members from each group) as well as two non-voting members from the administration. Its members will be appointed by the President of the University from nominees forwarded, in the case of students, from the student caucus of the University Senate; in the case of faculty, from divisional vice presidents and deans; and, in the case of alumni, from the alumni associations of the University’s various schools. The Advisory Committee will set its own agenda, and may make recommendations to the University Trustees, provided those recommendations are supported by a majority of the Advisory Committee. Since the final fiduciary responsibility for the management of the investments that support the University’s mission lies with the University Trustees, the Committee’s recommendations will be advisory in nature. Both the Committee’s formal recommendations and the response of the University Trustees will be matters of public record.

The University will provide administrative and budgetary support for the Advisory Committee. It will also make available to the university community annually a list of the foreign and domestic publicly held corporations whose shares were held by the University’s managed endowment as of the end of the previous fiscal year. With the inauguration of the Advisory Committee this spring, an early release of those data will be made in April, based on endowment holdings at the end of 1999. Current information regarding endowment holdings related to SRI issues under review by the Committee will also be made available to the Committee on a confidential basis.
The creation of the Advisory committee has the potential to significantly improve the quality of communication and discussion of socially responsible investing issues within the Columbia community. The extent to which that potential will be realized will depend on the strength of the new Committee's membership. The process of seeking strong nominees for the Committee begins now with the announcement of the formation of the Committee, and will be carried forward by the University's student government organizations, the deans of the University, and the alumni associations. Although the full term of Advisory Committee members will be two years for students and three years for faculty and alumni, at inception the terms of the new members will be staggered to create the necessary continuity for the committee in its work. The target date for convening the Committee is April of this year, giving it time to prepare its first annual agenda by the beginning of the next academic year in the fall.