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**TO:** Tilak Lal, Chair, Joint Committee on Investments; Vice Chair, Rutgers University Board of Trustees  
J. Michael Gower, Executive Vice President and Chief Financial Officer, Rutgers University

**FROM:** Ad Hoc Committee on Fossil Fuel Divestment

**SUBJECT:** Divestment of the Rutgers University Endowment from Fossil Fuel Investments

**DATE:** February 22, 2021

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### **Introduction**

In spring 2020, the Joint Committee on Investments, which sets overall policy for the investment of the Rutgers University endowment, received a request from a student group called the Endowment Justice Collective to divest from fossil fuels.

The chair of the Joint Committee on Investments and the university's chief financial officer made a preliminary determination that the students' request appeared to meet the standards outlined in the *Advisory Statement on Divestment* within the university's Investment Policy. As prescribed by this policy, an ad hoc committee composed of faculty, students, and staff was charged to consider the divestment request based on university policy and to make recommendations based on its review.<sup>1</sup>

### **Fossil Fuels in the Rutgers University Endowment**

The Ad Hoc Committee defined fossil fuel investments as investments in any company or fund whose primary business is the exploration or extraction of fossil fuels, including coal, oil, and natural gas, or whose primary business supports this sector with infrastructure and other services. This definition is consistent with the nature of the divestment request received in spring 2020.

Currently, approximately 5% of the university's \$1.5 billion endowment consists of fossil fuel investments. Sixty percent of these investments are in private funds, with the remainder in public equity or fixed income funds. In recent years, the university has taken steps to limit its investments in fossil fuels. Since the summer of 2016, the university has funded only three new funds directly focused on fossil fuels, out of close to 50 new investments, both public and private, in that same time period. In 2019, the university also removed investment targets related to "real assets," which is the primary home for fossil fuel investments within its portfolio.

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<sup>1</sup> See Appendix for the original divestment request, the Investment Policy, and charge to the ad hoc committee.

## **Ad Hoc Committee Recommendations**

*I. After analysis of the Investment Policy Advisory Statement on Divestment, detailed briefings on the structure of the University's endowment assets, discussions with key stakeholders, and careful deliberations, the Ad Hoc Committee on Fossil Fuel Divestment unanimously recommends that the university's endowment divest from fossil fuel investments.*

Specifically, the committee recommends the following actions:

1. Cease all new investments in funds whose strategy is focused on fossil fuel investments.
2. Divest from passive index funds with exposure to fossil fuel investments within one year and reinvest in environmentally friendly versions of those indices. In addition, actively seek new investment opportunities in renewable energy and energy efficiency categories provided they deliver competitive rates of return.
3. Exit all currently held private fossil fuel investments within 10 years, or as soon as practicable.
4. Because some commingled funds may hold minimal exposure to fossil fuels, emphasize the university's stance on this topic to investment partners, urging them to review their own processes and decisions regarding the inclusion of such assets in client portfolios.

Recognizing that companies whose primary business is fossil fuels will change over time, the endowment portfolio will require regular monitoring with these recommendations in mind. Proactively gathering information from its investment partners regarding their own environmental, social, and governance practices will help to ensure alignment with the university's position on fossil fuels.

*II. In reaching its recommendations, the Ad Hoc Committee on Fossil Fuel Divestment examined three major areas of consideration posed by the Advisory Statement on Divestment contained in the University's Investment Policy:*

- Whether there is a consensus among a wide array of stakeholders that the subject of the divestment request is a concern that affects the university community and/or people beyond its borders;
- Whether the university community has taken action to disengage from the organization, industry or entity being considered (for example, in its purchasing decisions);
- Whether the subject of the divestment request is a social injury of such magnitude that, if not addressed, will directly affect a significant number of individuals.

Multiple and diverse groups at Rutgers have voiced their support for divestment from fossil fuels, both before and after the Endowment Justice Collective put forward this proposal. These groups include the student assemblies of Camden, Newark, and New Brunswick, and the executive council of the Rutgers AAUP-AFT, as well as the thousands of New Brunswick

students who voted directly on a RUSA referendum on fossil fuel divestment in 2020. In the fall of 2019, an estimated 600 people joined the “climate strike” march in New Brunswick and called on the university to divest from fossil fuels and commit to carbon neutrality.<sup>2</sup>

The University itself has signaled that it views achieving carbon neutrality as a critical issue through a number of major initiatives. Foremost among these is the President’s Task Force on Carbon Neutrality and Climate Resilience, which has been charged to develop a comprehensive plan for carbon neutrality and climate resilience for the university to consider. While divestment was not within the charge of the carbon neutrality task force, it has been a central theme of community input during its planning process. This task force has also noted how fossil fuel investments contribute to the overall emissions associated with the university. Divestment from fossil fuels is aligned with the university’s goal of carbon neutrality.<sup>3</sup>

Other examples of significant steps the university has taken to emphasize carbon neutrality as a key value and business practice include:

- Joining the University Climate Change Coalition, a group of leading research universities united by the goal of achieving carbon neutrality;
- Participating in the “We Are Still In” pledge on climate action;
- Investing in alternative energy sources, like solar and geo-thermal energy;
- Implementing initiatives across the university offices of finance and facilities to develop more sustainable business practices and infrastructure.<sup>4</sup>

Fossil fuels harm the environment and the health and safety of humans and other living things on earth. The Ad Hoc Committee affirms the alignment of Rutgers’ mission and values around public health and social justice with the call to divest from fossil fuels. While the university has taken steps recently to limit its investments in this area, codifying a policy of divestment from fossil fuels is an important expression of the values of the institution and its broader community.

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<sup>2</sup> See Appendix for exhibits of support for fossil fuel divestment from various groups. On the “climate strike” see, Aristide Economopoulos, “Hundreds march during climate strike at Rutgers in New Brunswick,” NJ.com, Sept. 24, 2019, <https://www.nj.com/news/g66l-2019/09/51ca3476e81266/hundreds-march-during-climate-strike-at-rutgers-in-new-brunswick-photos.html>

<sup>3</sup> See Appendix letter from Professors Bob Kopp and Kevin Lyons, co-chairs of the President’s Task Force on Carbon Neutrality and Climate Resilience.

<sup>4</sup> See Appendix for documents concerning university actions regarding fossil fuels and carbon neutrality, as well as for the Ad Hoc Committee’s discussion notes related to each of the major policy questions pertaining to divestment.



*Submitted by the Ad Hoc Committee on Fossil Fuel Divestment*

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**Robert Roesener**, Associate Vice President and Deputy General Counsel, Office of General Counsel

**Jennifer Soyka**, Associate General Counsel, Office of General Counsel

### **Appendix of Materials and Input Related to Fossil Fuel Divestment**

- Social Justice Collective divestment request and JCOI reply
- Rutgers University's Advisory Statement on Divestment
- Charge to Ad Hoc Committee on Fossil Fuel Divestment
- Rutgers Undergraduate Student Assembly Referendum
- Letter of support from Rutgers–Newark Student Governing Association
- Letter of support from Rutgers–Camden Student Government Association
- Referendum from Rutgers-AAUP Executive Council
- Charge to President's Task Force on Carbon Neutrality and Climate Resilience
- Letter from Professors Bob Kopp and Kevin Lyons, co-chairs of the President's Task Force on Carbon Neutrality and Climate Resilience
- Rutgers University request for membership in University Climate Change Coalition
- "We Are Still In" Pledge on Climate Action
- University Initiatives on Sustainable Infrastructure and Business Practices
- Ad Hoc Committee's discussion notes

# *Rutgers University: A Case for Ethical Divestment*



*Prepared by the Endowment Justice Collective for the Joint Committee on Investments (JCOI)*



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## **Executive Summary**

The absence of democratic oversight and an environmental, social, and governance (ESG) policy of investment, combined with a blatant over-emphasis of a profit imperative perpetuated by the university's administration, has produced an endowment that is invested in some of the most immoral and unethical corporations on the planet. A preliminary (still incomplete) deep-dive into the Rutgers endowment has demonstrated that the university currently has holdings in a cross section of corporations that are destroying environments across the world, exploiting workers around the world by utilizing sweatshop labor, contributing to a violent and racist prison industrial complex, acting as agents of imperialism and colonialism through involvement in the military industrial complex, and perpetrating an apartheid system against the Palestinian people.

## **The Issues**

### *The Military Industrial Complex*

We define the military industrial complex (MIC) as a feature of the political-economic system of imperialism in which the incentives for both defense manufacturing and war-making align. Government defense committee members entangle themselves with defense manufacturers and contractors, establishing a vast network of mutually beneficial relationships between government and corporate industry. Due to this relationship, profit and personal gain become the ultimate motivators for all contemporary American defense policies.

Whilst legislators guarantee the security of their position, and defense lobbyists guarantee seemingly endless revenue streams for their companies, the military industrial complex establishes another guarantee: the destruction of Black and brown lives around the world. When weapons are manufactured, they do not just sit idly in warehouses collecting dust. They are deployed with callous violence. The Middle East knows this story all too well, where entire villages are decimated, families destroyed, and cultural history erased all for economic and political interests that turn people into pawns.

Certain cases of this violent and morally abhorrent profiteering present themselves as the military-industrial complex expands. In 2016, the Saudi-led coalition executed a double-tap strike, where a second strike was executed shortly after the first to ensure more casualties on first responders and those harmed in the first strike, on a funeral in Yemen. The strikes killed 155 people, and injured over 500 more. In 2017, President Trump continued and expanded a defense deal with Saudi Arabia, for a total of \$110 billion. Upon the signing of this deal, defense industry stocks saw all time highs, with Boeing reporting 18% growth that year alone. A year later, a U.S. made, Saudi bought GBU-12 Paveway II, a 500-pound laser-guided missile killed 40 children on a school bus in Yemen. 11 adults were killed and 79 people were injured. The price tag for all this destruction? \$21,895. A little more than the yearly national average salary for an adjunct professor. This just scratches the surface of the brutal and abhorrent consequences of a profit motivated defense industry. No amount of money can be worth more than the life of an innocent, unless one has already deemed the civilian as worthless to begin with. But presently, the drums of war are beating again, this time with the U.S. on the precipice



of an imperial war with Iran. With hundreds of thousands of Iranians, many of them young people and university students, rising up against U.S. imperial aggression, it is not just necessary for Rutgers to take a meaningful position against war, but also stand in solidarity with the millions of people around the world who have been on the frontlines of the military industrial complex's imperative for profit through the perpetuation of new frontiers of violence and conquest.

With a rapidly growing University endowment, reaching over a billion dollars within 6 years, Rutgers has owed much of its financial growth to this death and destruction. Rutgers has chosen ETFs, large collections of stocks traded as one commodity, that owe their growth to the blood and death of millions of innocent people. We, the Endowment Justice Collective and all signatories, ask: is this the legacy you wish to leave at Rutgers? To stand idly by while parents cry over their lost children, and children find themselves orphaned from a drone strike, funded in part by Rutgers University? Instead of investing into an industry that only seeks to destroy the lives of millions abroad, we demand the university invest into its own community, and finally commit to the values it so proudly markets to prospective students. We urge our administration to choose a legacy that proactively makes ethical choices, including choosing to divest from the military industrial complex.

### *The Prison Industrial Complex*

We define the prison industrial complex (PIC) as the collection of state and corporate interests that perpetuate an irrational and inhumane logic that punishment and harm are somehow effective means at curing social ills. We believe in restorative justice--that communities themselves are the most equipped to keep each other safe--and the PIC is ultimately an extension of slavery, convict leasing, and the Jim Crow-era policies that emerged in the wake of Reconstruction. In addition, elements of the PIC have also been active contributors to the genocide of indigenous people in North America, with incarceration of native people becoming a mechanism for settler colonization, the establishment of violent reformatory schools for native children, and, in the modern era, the targeting of indigenous activists who are asserting their national sovereignty. As indigenous scholar Jodi Byrd says so eloquently, "The story of the new world is horror, the story of America a crime." Rectifying this civilization-scale crime means coming to terms with one of its foundational pillars: the prison industrial complex.

The umbrella of the PIC includes both public and private prisons, as well as companies that support the operations of these institutions and target and surveill Black and brown communities to maintain a constant inflow of incarcerated people. The ascendance of the PIC has not been a natural outgrowth of increased "criminality" (which is itself a socially constructed phenomenon), but rather a violent and racist response to crises of capital and the advances made by Black liberation movements in the 1960s. Scholars like Angela Davis conceptualize the PIC as "a black hole into which the detritus of contemporary capitalism is deposited...It relieves us of the responsibility of seriously engaging with the problems of our society, especially those produced by racism, and increasingly, global capitalism." In an era when the United States is currently incarcerating a higher percentage of its Black population than South Africa at the height of apartheid, when a Black person is now three times more

likely to be shot by police than a white person, and when the federal response to migration has been to incarcerate migrant children and their families, increase deportations at a massive scale, and dramatically augment surveillance of migrant communities using sophisticated technology created by the private sector, we believe that the absolutely necessary conversations around racism, white supremacy, misogyny, and inequality cannot occur without the abolition of the prison industrial complex. Relatedly, no higher education institution can call itself “diverse” or “inclusive” for its Black and brown students while simultaneously investing in an industry that has absolutely devoured the social wealth of Black and brown communities.

### *Israeli Apartheid*

We define Apartheid as the legal and political systems that institutionalize racial and ethnic segregation in what should otherwise be a free and democratic society. The underlying judgements that frame oppressive and discriminatory policies waged against Palestinians and others in the occupied Palestinian Territories as parts within a whole and sophisticated system of Apartheid statehood, are only further reinforced by the policies and actions of the privately-managed but state-affiliated corporations which bolster them.

As so many Palestinians suffer through the daily struggles and humiliations of the militarized checkpoints that separate them from their families, homes, places of work, and sites of worship, profit-driven private actors lend a helping hand to the occupying state. Technology companies in which Rutgers University maintains substantial holdings-- including Hewlett Packard, Motorola , [Fiserv, and Naspers]-- provide services that build identity databases and population profiles in coordination with wider Israeli surveillance apparatuses.

These proprietary technology systems, exclusively and unilaterally managed by the Israeli government, are in turn utilized to inform official policy decisions in both Israel and in the Occupied Palestinian Territories. Without shared access to these technologies, their backing databases, and the policy decisions surrounding their overall management, Palestinians continue to be subject to discriminatory operations that record, surveill, and disenfranchise them in their own communities. Furthermore, several of these corporations maintain service and maintenance contracts with settlement communities in the Occupied Territories, whose operations are considered illegal under international law. Some of these investments include companies that directly profit off the material construction of these settlements, like Azrieli Construction Group. Investment in these models of profiteering schemes that both enable state-backed discrimination and violate internationally recognized laws, are precisely the type of institutions that perpetuate Apartheid statehood. It is imperative that the Rutgers endowment divests from the corporations and holdings that continue to make state-sponsored and subsidized discrimination a reality against Palestinians in both Israel and in the Occupied Palestinian Territories.

### *Sweatshop Labor*

As a university that prides itself on being Revolutionary, we must demand that Rutgers stop profiting off of sweatshops. We define sweatshops as any workplace that makes its profits through unjust labor practices within any aspect of their supply chain. Sweatshop labor leaves workers exploited, destitute and abused while companies continuously benefit from the

blood of their workers. Working in a sweatshop means that the workers are forced to deal with poor working conditions including hazardous and unsafe workplaces that lack basic necessities such as adequate ventilation, fire safety procedures, or protective gear. These factories also often rely upon child labor, inhumane hours, sexual and physical abuse, poor pay and a complete lack of benefits, including maternity leave, sick leave or even bathroom breaks.

Under the economic system of capitalism, corporations often attempt to undercut the competition's prices by cutting safety procedures, defying regulations, or committing wage theft. As an affiliate with the Workers' Rights Consortium, Rutgers promises to uphold a standard which states that "decent conditions and wages for the world's manufacturing workers requires systemic change in global supply chains of leading brand – change that brands and retailers will not voluntarily undertake." In order to keep sweatshop labor in check, Rutgers must uphold its promise to the WRC and divest from companies and investment funds that rely upon unethical labor, such as Lululemon (within the Vanguard Total World Stock ETF) which is known to penalize workers for enacting their right to organize. Confronting investments like Lululemon also demands that Rutgers confront how the university is contributing to exploitative labor through its contract relationships. As an example, Rutgers has a Wendy's chain on campus. Wendy's is the last of the major fast food companies to abide by the Fair Food Program, a legally binding contract guaranteeing ethical working conditions and wages for farmworkers in a company's supply chain. As major companies like Walmart and McDonald's have signed on to the Fair Food Program, thousands of farmworkers are protected from modern-day slavery, trafficking, and sexual abuse. As Wendy's has yet to sign on to the Program, Rutgers is contracting with a corporation that is not held accountable for abuses in its supply chain. We believe that workers deserve to be fairly compensated, in safe conditions and without fear of abuse. We also believe that profiting off of the suffering of others is an inhumane practice that we must attempt to reduce, if not remove entirely, from our university.

### *Fossil Fuels*

In 2018, the Intergovernmental Panel on Climate Change (IPCC) released a groundbreaking report that said global emissions need to be cut in half by 2030 in order to keep temperatures below the crucial threshold of 1.5°C of warming. Scientists say that reaching this target will require most coal, oil, and natural gas reserves to stay in the ground. This means not just heavy regulation of the fossil fuel industry, but its outright dismantling. Just 100 fossil fuel companies are responsible for 70 percent of global emissions, including companies like ExxonMobil, Shell, BP and Chevron--corporations that knew the science 30 years ago, actively misled and sowed about climate change, and corrupted democratic systems around the world in order to skirt regulation and ram through some of the riskiest and most ecologically harmful methods of extraction. As the fossil fuel industry has only tightened its stranglehold on democracy, we have seen clearly their responsibility in massive oil spills, pipeline leaks, and human rights violations. Simultaneously, the climate crisis, a cataclysm this industry is directly responsible for, has continued to escalate alarmingly, with new record-breaking temperatures, fires igniting entire continents, intensified extreme weather events, and large-scale ecosystem collapse and extinctions.

But to say that the fossil fuel industry is only disrupting natural systems would be to ignore its very real and devastating impacts on marginalized people. Take for example the Philippines and Puerto Rico, where the poorest areas are always the hardest hit by ever-worsening typhoons such as Typhoons Haiyan (2013) and Mangkhut (2018) and Hurricane Maria (2017). Not only do these extreme weather events kill thousands and destroy tens of thousands of homes in the immediate, they ruin the livelihoods of entire communities and reinforce the existing systems of exploitation in the long-term, sending people further and further into inescapable destitution. We should see it as no coincidence that both of these nations are former or current U.S. colonies, as these patterns are direct impacts of continuing exploitation under colonialism and imperialism.

The concurrent trends of settler colonization, western imperialism, and climate disruption are also deeply intertwined with the historical development of North America. The history of indigenous genocide cannot be separated from the ascendance of the fossil fuel industry, as annihilationist logics of mass murder, removal, and dispossession facilitated new legal regimes based on private property that paved the way for the encroachment of fossil fuel infrastructure projects on indigenous land. In addition, many indigenous communities have had their sovereign lands unilaterally transformed into dumping grounds for some of the most hazardous forms of toxic waste, a large share coming from extractive industries. Native communities across North America and around the world are currently facing asymmetrical battles against some of the wealthiest and most powerful forces in society seeking to expand fossil fuel infrastructure projects, and they are demanding meaningful solidarity from settler institutions like Rutgers University.

In addition to the impacts of the fossil fuel industry on indigenous people, Black and brown Americans are also facing lethal doses of environmental racism and injustice at the hands of the fossil fuel industry. An Associated Press analysis showed that Black Americans are 79 percent more likely to live in areas with high concentrations of industrial pollution. The NAACP has also found that nearly 70 percent of Black Americans live near a coal-fired power plant. According to the Clean Air Task Force, Latinx populations also face disproportionate impacts from fossil fuel production and consumption, with nearly 2 million Latinx people living within half a mile of oil and gas facilities. The public health effects of these spatial disparities are real: one study from the New England Journal of Medicine showed that black Americans are more than three times more likely to die from exposure to air pollution than their white counterparts, and numerous other reports have demonstrated the disproportionate exposure to dangerous carbon-based pollutants that Black, brown, and indigenous communities face.

These conditions are cumulative effects of what legal scholar Cheryl Harris describes as the uniquely American reality in which whiteness has become its own form of property: “a resource deployable at the social, political, and institutional level to maintain control.” In this way, the uneven access to habitable environments, basic life necessities, and the institutional power to protect oneself from environmental hazards--access that is determined by one’s approximation to whiteness--leads to widespread systematic subjugation and premature death in Black, brown and indigenous communities. The responsibility of these casualties falls squarely on both the fossil fuel industry and institutional investing bodies like the JCOI that continue to fund this industry. This kind of environmental racism demands broad-based

approaches that recognize and work to dismantle the overlapping forms of oppression that produce disparities in environmental harm.

Faced with these distressing realities, the global fossil fuel divestment movement is confronting the industry directly and spreading rapidly, recently surpassing \$12 trillion divested. In September, the University of California system divested their endowment and pension fund (representing over \$83 billion) from fossil fuels. While this victory was the direct result of years of student and faculty organizing, the UC investment officers also cited their fiduciary responsibility in their decision, arguing that “we continue to believe there are more attractive investment opportunities in new energy sources than in old fossil fuels.” Even ignoring the moral and ecological calamity that fossil fuel investments represent, these holdings are also becoming increasingly risky within institutional portfolios. In August, ExxonMobil fell out of the Standard & Poor’s 500 for the first time ever. Earlier this year, the European Investment Bank, the largest international public bank in the world, announced that it would stop investing in fossil fuel projects. BlackRock, the largest investment manager in the world controlling over \$7 trillion in assets, recently announced that it would be redirecting its holdings away from fossil fuels. These seismic shifts signal a new reality that is crystallizing for investors around the world: continued investment in fossil fuels will not only bring the natural world to the absolute brink—this will also surely bring the global economy with it.

But while the financial case is clear, let us not forget the stakes of this moment: fossil fuel investments ultimately represent the spoils of settler colonial genocide, the profits reaped from environmental racism, and the economic kindling for the fires igniting planetary and social systems around the world. The JCOI can continue to act as arsonists, fanning the flames of the most existential crisis in human history, or the body can fully and completely divest from an industry that is single-handedly strangling humanity.

### *The Urgency of Connection*

Committing to broad-based ethical divestment, like what this collective is proposing, is finally aligning this university with the revolutionary values that it so frequently espouses, recognizing that liberation does not occur in some predetermined, sequential process, but through collective struggle and different groups making connections. In the same vein, divesting in this way also acknowledges the ways in which these crises are, in fact, interconnected.

Israel would not be able to pursue its illegal aims for Greater Israel and relentlessly subjugate Palestinian people were it not for the fact that the Israeli state has the full support of the U.S. military industrial complex, one of the largest polluters in the world. Similarly, another large polluter, the prison industrial complex, includes prison profiteers in both the U.S. and around the world, including Israel proper. Despite greenwashing attempts by Israel, its system of apartheid against Palestinians has dramatically altered the land in the region. The state’s continued encroachment on Palestinian land and resources is demonstrating what happens when fascist and settler colonial ideologies converge with an escalating climate crisis: eco-apartheid, where vital resources like aquifers are taken over and leveraged as bargaining chips, Palestinians are denied access to agricultural land, and the native ecology is relegated to a blank canvass onto which the settler state must be built.

Fundamentally, ethical divestment is about this university finally taking a stand against an economy and society rooted in the idea that land and certain peoples were somehow made to be controlled and dominated. While we have strong critiques of the university's investment practices, we do not believe that our school is some kind of cancer on this Earth, nor is Rutgers supposed to act like some god-sent cure. At our greatest self-actualization, we are simply part of this immensely beautiful, yet incredibly delicate, mosaic of life. That return to a more natural state--a university as a steward of liberatory knowledge--is not a contraction, it is not demotion; it is a revolutionary homecoming. That is what ethical divestment promises, and it is why this collective will not compromise on any of our demands.

### Key Investment Takeaways

- Prison industrial complex investments include holdings in **American Securities**, one of five private equity firms that Senator Elizabeth Warren and Representatives Mark Pocan and Alexandria Ocasio-Cortez [cited](#) as “profiteering off incarcerated people and their families.” Companies within the American Securities portfolio include **GTL**, a telecommunications contractor for the prison industry that has a consistent history of outrageously [over-charging fees](#) for phone calls between incarcerated people and their loved ones. GTL is also currently [utilizing](#) artificial intelligence to data mine prison phone calls.
- Holdings in the military industrial complex include some of the biggest war profiteers in the industry, including **Lockheed Martin, Raytheon, and Honeywell**.
- The Palestinian people have lived under a system of apartheid ever since the beginning of the Nakba (Arabic for “Catastrophe”) in 1948. Over 800,000 people were instantly made into refugees, leaving their homes and their lives with no guarantee of return. To this day, for the Palestinians that live in the West Bank and the Gaza Strip, the Israeli government has instituted a system of apartheid, an Afrikaans word translating to “separateness”. Rutgers University benefits directly from apartheid by investing in companies that profit from said system. One such company is **Motorola Solutions**. Motorola is best known for their telecommunications technology, like cell phones. But Motorola has been actively [profiting](#) from Israeli apartheid for over a decade. Motorola made over \$93 Million providing radar detection and thermal camera systems for over 47 illegal Israeli settlements in the West Bank. They also supply the surveillance camera system to monitor the illegal apartheid wall, or “security fence”. Most inhumanely, Motorola Israel sells fuses that the Israeli Air Forces use in their MK-80 series of bombs. These weapons have directly been linked to civilian deaths. On February 12, 2020, the United Nations human rights office released a list of 112 companies complicit in violating Palestinian human rights by operating in and aiding illegal Israeli settlements according to international law. Motorola Solutions was among the most recognizable names on that list. Motorola Solutions’s CEO Greg Brown is currently on the Rutgers Board of Governors.
  - Additionally, Rutgers has longterm contracts and investments in corporations that benefit from Israeli apartheid like **Coca-Cola and Caterpillar**, which exploit Palestinian labor and participate in the active demolition of Palestinian villages

respectively. Caterpillar is notorious for their Israeli Armored CAT D9, an armored bulldozer nefariously nicknamed the “Teddy Bear”. It is used to injure Palestinians who try to prevent the Israeli army from demolishing their homes to build Israeli settlements. In 2003, the Israeli army murdered American college student and activist Rachel Corrie with the “Teddy Bear” as she tried to help a Palestinian family facing house demolition.

- Through investments in companies like TransCanada (**TC Energy**), **Enbridge Inc**, **National Oilwell Varco Inc**, the Rutgers endowment is funding some of the largest and most destructive fossil fuel infrastructure projects in the world. TransCanada operates the Keystone XL Pipeline, a thousand-mile pipeline stretching across the continental United States, cutting through indigenous land, and putting precious ecosystems at grave risk. Investments like TransCanada demonstrate a disregard not just for the planet’s life-supporting systems, but also fundamental protections for native people and any kind of hope for decolonization and restorative justice for these communities. Keystone XL is transporting oil from the Alberta Tar Sands, the third-largest oil reserve in the world--producing 2.8 million barrels of bitumen a day, actively encouraging this project to continue to grow and destroy more land. Other oil majors in the endowment include Royal Dutch Shell, a company with [a long and well-documented history](#) of ecological devastation and human rights abuses, particularly in the Niger Delta. Rutgers is also invested in the increasingly risky expansion of extractive infrastructure projects. The 2017 release of the Panama papers [revealed](#) that Rutgers has holdings in EnCap, which touts itself as “leading provider of venture capital to independent oil and gas companies.” Our investigation of the current endowment portfolio demonstrated that Rutgers continues to maintain these treacherous and unsustainable investments in EnCap.
- Our investigation also demonstrated clear connections across these immoral industries. Beyond the ubiquitous [evidence](#) that shows the military industrial complex is also the world’s largest polluter, many Israeli companies are also active contributors to an eco-apartheid system that has cut off access to water, land and vital resources for the Palestinian people. The [Prison Ecology Project](#) has also conducted research into the outsized carbon footprint and negative ecological impacts of prisons in the U.S. What’s clear is that divesting in one of these areas is not enough--we need a complete overhaul of the endowment portfolio, the establishment of a strong, legally-binding ethical investment policy, and more democratic oversight from students, faculty and community members.

**Organizational Partners**

Rutgers Students for Justice in Palestine  
Rutgers Students for Environmental Awareness  
Rutgers Amnesty International  
Rutgers STEM Ambassadors  
RU Compost Club  
Rutgers United Students Against Sweatshops  
Anakbayan Rutgers  
Rutgers Veg Society  
Rutgers Transmissions  
Rutgers Shockwave  
Rutgers Democratic Socialists of America  
Rutgers Alumni Club of South Carolina  
Sunrise Movement Rutgers New Brunswick  
Alpha Phi Alpha Fraternity, Incorporated  
Mexican American Students Association  
Rutgers Association of International Relations  
All Marxist Leninist Union  
The Sustainability Coalition  
Central Jersey Democratic Socialists  
Bard College Students for Justice in Palestine  
Sunrise Movement Jersey Shore  
Vassar Students for Justice in Palestine  
Climate Justice at Boston College  
The Catholic Divestment Network  
Central Jersey Jewish Voice for Peace

**Community Partners**

Samar AlKhudairi  
Pratik Mishra  
Orion Farr  
Miguel Ribau  
Jürgen Lipps  
Jason Campbell  
Daniel Markham  
Brendan Suszynski  
Samuel Rushing  
Alexander Baker  
Leah Hunt  
Ben Mulick  
Sophie Pastore  
Jessica Stephenson  
Jay Rivera



Ally Ward  
Sabiyah Siddiqui  
Cal Quinn-Ward  
Gabriella Guerriero  
Dulce Lina  
Amanda Agwuegbo  
Haley Koenig  
Amanda Fitz  
Amulya Mummaneni  
Kaci Shu  
Jazmin Sanchez  
Mark Ramirez  
Alex Nguyen  
Summer Clark  
Shaun Moran  
Jonathan Carangui  
Ishita Malhotra  
Mannet Dhaliwal  
Kaleel Love  
Faisal Qudrah  
Samyah Mohammed  
Daniel Mesa  
Samiha Tamboo  
Isra Alvi  
Indira Grullón  
Suzanne Saleh  
Omar Badawy  
Alissa Uddin  
Assem Abdelhameed  
James Boyle  
Selen Nehrozoglu  
Salman Mughal  
Duaa Eisa  
Julia Lawrence  
Yousef Aljamal  
Anusha Shanabag  
Simone Y Allison  
Norhaan Khalil  
Fatimah Mosaad  
Jessica Parineet  
Camilla Bober  
Wren Amitai  
Somdatta Ghosh

Youssef Elmorshedy  
Ameena Qobrtay  
Nika Deitch  
Salwa Sheikh  
Zaynab Khan  
Haya Abdel-Jabbar  
Lenine Lasher  
Muhammad Moosa  
Mahmoud Ajaj  
Amir Jamal  
Laiba Khan  
Brigitte Schackerman  
Rahma Shata  
Suraj Sanyal  
Victor Aguilar  
Aleeza Langert  
Cheyenne Astarita  
Ethan Smithweiss  
Adriana Scanteianu  
Snehanjali Yarasani  
Sophie Wei  
Younes Baghdad-Brahim  
Megan Jones  
Allison Nguyen  
Anaïs Peterson  
Alexander Matthew Kim  
Hannah Burke  
Rachel Schlueter  
Charles M. Barber  
Kira Kozachek  
Eva Tillet  
Reed Oka-MacLaren  
Leo Lubarsky  
Lara Perez-Curran  
Lia Perez-Curran  
Julisa Robles  
William Schwartz  
Kyle Rosenthal  
Giovanni Occhipinti Jr.  
Ashley Garcia  
Laila Abbas  
Michael Cappabianca  
Krishna Gotur

Nour El-Zant  
Anjali Madgula  
Peter Amponsah  
Rachael Ogbonna  
Kosi Mbah  
Abraham Colinet  
Sarah Faysal  
Yara Assadi  
Ricardo Nava  
Kirsten Drehol  
E Dean  
Sarah Farhan  
Elmina Yener  
Esra Abdulrahman  
Sarah Ahmed  
Alyssa Kumalmaz  
Alex Monticello  
Madhumita Kaushik  
Tim Swyzen  
Dan Connolly  
Samiksha Khetan  
Mabel Books  
Khushbu Mistry  
Rachel Broder  
Spencer Symula  
Nadia Jlelaty  
Michelle Wong  
Nina Langhorn  
Madeline Williams  
Devin Arriaga

**Alumni Partners**

Jennifer Garcia, Class of 2018 BA, Class of 2019 MA  
Said El-Hawwat  
Jane H. Adas  
Nora Herzog  
Carmelo Cintron Vivas  
Faith Franzonia  
Bryan Guevara  
Katelyn Jo  
Mary D'Anella-Mercanti  
Paulina Zyskowski  
Andrew de Uriarte

Mack Miller  
Charlie Kratovil  
Nicole Gamboa  
Any Barenboim  
Megan Johnston  
Mark A. Leon  
Jason Mallonga  
Annie Jain



**Office of the Secretary**  
Rutgers University-New Brunswick  
7 College Avenue, Winants Hall, Room 112  
New Brunswick, NJ 08901-1260

secretary@oq.rutgers.edu

p. 848-932-7434  
f. 732-932-1245

Rutgers Endowment Justice Collective  
[rutgersejc@gmail.com](mailto:rutgersejc@gmail.com)

July 16, 2020

To Whom It May Concern,

On behalf of Rutgers University, its Boards of Governors and Trustees, and the Joint Committee on Investments, we thank you for your passion and the divestment request submitted earlier this semester. Although these are difficult times for the world, our nation, our students, and the University, we understand the need and duty to engage with our students and the broader community on topics like this. Therefore, we have included our response to your divestment request directly below as well as some additional information regarding the evolution of the University Endowment's investment strategy.

As prescribed in the University's Investment Policy, the divestment request presented regarding the University Endowment's exposure to fossil fuels has been considered by the Chair of the JCOI chair and the CFO, and it will be moved forward. This means appointing an ad hoc committee to evaluate the merits of divesting the University's Endowment from fossil fuel assets. Per policy, this committee will provide a recommendation to the JCOI for its consideration. Fossil fuels represent approximately 6% of the portfolio. None of the other areas outlined in the request (based on companies cited) accounted for an exposure of greater than 0.17% of endowment assets.

We look forward to working with the University community in reviewing our approach to fossil fuel investment exposure.

Thank you,

Kimberlee M. Pastva  
Secretary of the University

Attachment

### **Additional Commentary Regarding Fossil Fuels from the Rutgers Investment Office**

Since the formation of the University's Investment Office in July 2016, many things have changed regarding the management of the portfolio. Our staff has grown, our capabilities and responsibilities have increased, our intern program is thriving, and, most importantly, our asset allocation and portfolio has evolved significantly.

In our portfolio, we have notably increased target allocations to private market strategies, increased flexibility to allocations, and upgraded investment positions wherever possible. In the spirit of increased flexibility, we have changed the structure of our asset allocation in order to ensure that we are not forcing ourselves to invest in overly-specific categories of assets. The biggest such change was our removal of Real Assets as an asset allocation category in FY2019.

The decision to remove Real Assets as a specific category within our asset allocation framework was derived from our investment philosophy. Beginning in the Summer of 2016, the University has largely deemphasized Real Assets (extraction and/or exploration of fossil fuels) from an investment perspective. In that timeframe, the University Endowment has only funded three new private funds directly focused on this asset type, out of over thirty new investments, both public and private, in that same time period. Further, the Endowment has redeemed from a public equity manager dedicated to this sector, and the majority of the remaining Real Assets investments are currently running down. There is a very small percentage of capital available to be called for existing managers to make new investments. Our thought process was simple when deciding to deemphasize this sector:

- A dedicated and consistent target allocation to commodity prices was not needed. Our decision was to deemphasize Real Assets for these reasons but not to shun them altogether. By adjusting the Endowment's allocation framework, we removed the need to have a dedicated exposure at all times but not the ability to take advantage of attractive opportunities in these areas when market dislocations occur. In addition, we have explored new investment opportunities related to infrastructure and renewable energy as they become cost competitive with traditional energy sources. One such investment opportunity is currently in our due diligence pipeline.

We would also like to share some high-level information regarding our current fossil fuel exposure:

- Overall Fossil Fuel Exposure: approximately 6%, with a slight tilt towards private manager assets
- As of 12/31/2019, private fossil fuel managers account for around \$60 million in market value through nineteen funds.
- Only three of these have been committed to since July 2016
- A small amount of committed capital remains to be called – ~\$11 million
- We expect that these investments run off slowly over time as managers sell assets

## **Charge to the Ad Hoc Committee**

### **November 2020**

In spring 2020, a group of students submitted a request that the university divest from fossil fuels. The chair of the Joint Committee on Investments (JCOI) and the CFO and EVP for Finance and Administration made a preliminary determination that the students' request appears to meet the standards outlined in the Investment Policy.

The Ad Hoc Committee on Divestment will advise the JCOI on a response to this divestment request that assesses the views of the university community, carefully considers the ethical and fiduciary responsibilities of the investment committee and the boards, and recommends appropriate next steps.

The committee will consider three major questions related to the divestment request at hand:

- Whether there is a consensus among a wide array of stakeholders that the subject of the divestment request is a concern that affects either the university community and/or people beyond its borders;
- Whether the university community has taken action to disengage from the organization, industry, or entity being considered (for example, in its purchasing decisions);
- Whether the subject of the divestment request is a social injury of such magnitude that, if not addressed, will directly affect a significant number of individuals.

The Ad Hoc Committee on Divestment will advise the JCOI on a response to this divestment request that assesses the views of the university community, carefully considers the ethical and fiduciary responsibilities of the investment committee and the boards, and recommends appropriate next steps. The ad hoc committee will be committed to conducting an inclusive, thoughtful review process that can serve as an example for future reviews.

J. Michael Gower, executive vice president and chief financial officer;

Tilak Lal, chair, Joint Committee on Investments, vice chair, Rutgers University Board of Trustees

# RUSA

Elections Committee

## Fall 2020 Official Preliminary Voting Results

Elections for Fall positions in the Rutgers University Student Assembly (RUSA) and campus referenda took place from the start of the day on Monday, September 28th at 12:00am until Thursday, October 1, 2020 at 11:59 PM. In accordance with the rules of the Rutgers University Student Assembly and all applicable Rutgers University Policies, the following students were elected and referenda enacted:

### University-Wide

*Referenda: "Shall RUSA's Constitution be completely amended to the proposed Constitution instead of the current constitution?"*

Yes	3677
No	1964
Abstain	1617
	96

*Referenda: "Should Rutgers, the State University of New Jersey, have its endowment funds divest from fossil fuel companies and invest in clean energy by 2030?"*

Yes	3677
No	3317
Abstain	281
	79

*Referenda: "Should the Rutgers University Board of Governors have voting student representation from the New Brunswick, Newark and Camden campuses?"*

Yes	3677
No	3160
Abstain	412
	105

Yes vote required of the prior question to see the following (and "if, then")

*Second Question: "Should this representative be the undergraduate student body President of each of the respective campuses?"*

Yes	3160
No	2609
Abstain	507
	44

### Busch

*Please select up to 5 candidates for Busch At-Large:*

Andreas Huey (UnScrew RU)	408
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## Newark Supports Divestment of Fossil Fuels

January 21, 2020

Dear Senior Vice President Ballentine,

While the fossil fuels industry represents a small percentage of the overall endowment, continuing investment within this sector does not represent Rutgers, its student body, and no longer maintains a pragmatic purpose for the university's finances. Fossil fuels will continue to be consumed for the time being, however, their profits will decrease over time as green alternatives become more commonplace. Solar, battery, and hydrogen power are soaring in the markets, and while some of their valuations are currently extended, this is the direction the world is heading. Rutgers should take a part in turning over the stone of fossil fuels and look toward the future.

With an extremely progressive student body at the Newark campus, the purpose of this letter is to formally express our support for the issue and offer context on the campus' sentiment. Student organizations and faculty have already spoken in favor of this divestiture. Although no referendum has been held on the matter, in Spring of 2019, the Newark Campus voted 81% in favor of the university divesting from companies that support or operate within the Occupied Territories of Palestine and Syria. If such a high percentage of the student body voted in favor of this separate matter, we reason that the percentage would be even greater on a less controversial issue for the campus like fossil fuels, possibly riding an asymptote near unanimity. Fossil fuels do not match the university's claim of being revolutionary. The student body overwhelmingly supports building a more ethical and just Rutgers, similar to President Holloway's mission.

In addition to not being positive for Rutgers' finances in the future, fossil fuels foremost are not sustainable for the planet. Fossil fuels hold undeniable negative impacts on our environment, air, water, and climate. Continuing this path is a path toward destruction. We recognize this is not a process that can occur overnight, however, it appears we can accomplish this goal much earlier than the Rutgers University Student Assembly's call to do so by 2030. Similarly, there would be interest in passing a resolution through our Senate this semester, with specific regard to our student leaders and organizations. We are happy that the university is looking into this matter and being inclusive of students. We understand the university has a fiduciary responsibility to maintain, however, it is imperative that students are involved in the replacement process for this portion of the endowment. After divestment occurs, its replacement must reflect the vision of the student body for a sustainable future and a more ethical Rutgers. This is necessary in addition to being able to say we have divested. Rutgers has the ability to be a part of the future and can by literally taking a stake in it and dropping the past. Thank you for moving us in this direction.

Sincerely,

**Dylan Terpstra**

Dylan Terpstra  
President  
RU-N Student Governing Association

**Jordan Warner**

Jordan Warner  
Senator At-Large  
JCOI Subcommittee on Divestment Rep.

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Co-Signing Rutgers Newark Student Organizations and Chapters:

Rutgers Students for Justice in Palestine  
New Jersey Public Interest Research Group  
Muslim Student Association

R.U. Association of International Relations  
UNICEF  
R.U. Dreamers



## Rutgers-Camden Supports Divestment of Fossil Fuels

2.1.2021

Dear Senior Vice President Ballentine, and the Joint Committee of Investments,

We, the Student Governing Association of Rutgers University-Camden (RUCSGA), are writing to express our utmost support of the divestment of Rutgers, the State University of New Jersey's endowment funds from fossil fuel companies. The unique position of our institution equips Rutgers with the means and the obligation to take bold action against the harmful effects of climate change. While the fossil fuels industry represents a small percentage of the overall endowment, continuing investment within this sector does not embody the Rutgers community, including the students we represent, and no longer maintains a pragmatic purpose for the university's finances.

The world is presently facing a catastrophic climate crisis and New Jersey is no exception. According to a recent Washington Post article (<https://tinyurl.com/yyeb2cbh>), our state is one of the fastest-warming regions in the country. The three counties where Rutgers resides - Middlesex, Essex and Camden - have seen annual temperature rises of 2.1°C, 2.0°C, and 1.6°C, respectively, since the turn of the 20th century - all three data are deeply disturbing and can inflict tremendous harm on the health and economic vibrancy of our shared communities. Though it is clear that Rutgers University is not to blame for these troubling statistics, we remain confident in the institution's reputation and ability to act as a strong leader in the shift towards a cleaner tomorrow.

A move away from fossil fuels is a simultaneous step towards environmental justice. All three of the main Rutgers campuses and the RBHS school are situated in low socioeconomic, majority-minority cities. Fossil fuel projects and environmental degradation, more broadly, continue to overwhelmingly harm black and brown communities (read more here: <https://tinyurl.com/y432ptcp>). As our nation continues to reckon with its racial and ethnocentric injustices, we felt it imperative that Rutgers University do its part in discontinuing activity that would disproportionately harm communities of color.

Finally, we would like to briefly use this space to applaud the Fossil Fuels Divestment committee for its efforts in this important issue and for including student voices in the process. Many issues affect our students and university, but very few impose widespread harm like fossil fuel emissions. Moreover, at a time where so much is happening in the country, it is encouraging to see that the university continues to work on innovative solutions for the betterment of our community.

Although the monetary value of the endowment's investment in the fossil fuel industry is small compared to other institutions, the statement about divestment from the fossil fuels companies alone carries a lot of weight given our institution's history and reputation. For these reasons and more, the undersigned members of the RUCSGA and other Rutgers - Camden student organizations support the university's divestment from Fossil Fuels and a shift to clean energy by the year 2030 in congruence with the Rutgers University Student Assembly referendum and the Rutgers Newark Student Governing Association letter of support.

Sincerely,

**Abhi Kaneria** | RUCSGA Treasurer & JCOI Subcommittee on Divestment Representative

**Nitan Shanas** | RUCSGA President

**Co-Signing Student Organizations:**

*Biology Club, Association for Computing Machinery, Psychology Club, Student Wellness Advisory Board, Latin American Student Organization, Environmental Action Club, Art Student's League, College Democrats, SAGA, Define American, Rutgers Camden Sikh Student Association, Political Science Society, MFA Organization, NJPIRG*

**Resolution in Support of Fossil Fuel Divestment**  
**Adopted by the Executive Council of the Rutgers AAUP-AFT**  
**16 December 2020**

Whereas, on 4 September 2019, Rutgers AAUP-AFT endorsed the Green New Deal, called for Rutgers University to go carbon neutral, and supported student demands for fossil fuel divestment;

Whereas this Fall the Rutgers-New Brunswick undergrad student body voted overwhelmingly in favor of fossil fuel divestment;

Whereas, in the intervening period, the call and case for divestment at Rutgers and nationally have only grown stronger – as demonstrated by recent divestment actions on the part of the University of California and the New York State Pension Fund;

Whereas wider political and economic pressure continue to undercut the value of and add risk to oil, gas, and coal holdings and, by extension, to undermine the value and stability of the University's portfolio;

Whereas the damage done by fossil fuel corporations – notably to frontline communities of color – becomes more apparent and more profound every day;

BE IT THEREFORE RESOLVED that the Rutgers AAUP-AFT union of faculty, grad workers, and postdocs calls upon Rutgers University and the Rutgers University Foundation immediately to begin selling all its holdings in firms that extract, produce, refine, sell, store, or transport oil, gas, or coal, as well as its holdings in firms that provide ancillary services or infrastructure in support of the same.

BE IT FUTHER RESOLVED that the Union calls upon the University and Foundation to complete those sales, having divested from fossil fuels fully, by 31 December 2025;

BE IT FURTHER RESOLVED that the Union encourages the University and the Foundation to expand its investments in wind, solar, and other forms of renewable energy – with a particular emphasis on contributions towards a just energy transition for displaced workers and frontline communities.

BE IT FURTHER RESOLVED that the Union urges the University and the Foundation to use their voices as shareholders outside the fossil fuel sector to advance climate justice, racial justice, and economic justice.

BE IT FINALLY RESOLVED that the Union calls upon the University and the Foundation to disclose all its holdings in full and in public on an annual basis, as part of a community-wide review of the ethics of those investments.

# President's Task Force on Carbon Neutrality and Climate Resilience

- **RELATED:** [We Need You to Help Create Our Climate Action Plan](#) (January 2020)

**September 24, 2019**

Human-caused climate change is a scientifically validated reality that is already harming lives and livelihoods in New Jersey and around the world. The nations of the world have agreed to take actions to limit further warming, including bringing net global carbon dioxide emissions to zero in the second half of this century. Achieving these objectives requires active participation from all major institutions. Rutgers is already a national leader in the scholarly study of climate change, but as a university community, we can and must do more. It is our duty to leverage our collective expertise as scholars and educators to address the climate crisis in New Jersey and around the world, including in our own operations.

Today I am announcing the creation of the President's Task Force on Carbon Neutrality and Climate Resilience. I am charging this task force to develop a comprehensive climate action plan for the university to consider. It will analyze greenhouse gas emissions at Rutgers University and advise the university on solutions to reduce the University's greenhouse gas footprint that are environmentally sustainable, fiscally responsible, scalable, and engage the broader community.

I expect this task force to develop and recommend a plan for Rutgers to achieve carbon neutrality across our institution. The task force must first define carbon neutrality within the context of the university community. Then, it is tasked with outlining scenarios, timelines, and key benchmarks for achieving this goal on as rapid a timeframe as is possible.

In addition, the Task Force will examine Rutgers' own exposure to climate change impacts. I expect it to look especially for approaches to reducing the university's vulnerability to these impacts.

As representatives of the State University of New Jersey, this task force is also charged with engaging the broader community in its work. Scholars, students, staff, state and local government, alumni, and business partners—all these groups present insight and perspectives that can contribute to achieving the goal of carbon neutrality and enhancing Rutgers' contribution to climate-positive economic development in New Jersey.

In developing its recommendations, this task force must give careful consideration to fiscal responsibility and to achieving our goal in a manner that balances the urgency of emissions reduction against the viability of our educational mission as a public university.

The committee will be responsible for recommendations across the scope of greenhouse gas emissions reduction, including carbon emissions, sources of energy, institutional practices, facilities, transportation, and behavioral change. Its work will consider greenhouse gas emission reductions at all university locations.

To lead this important task force, I have appointed Professors Robert Kopp and Kevin Lyons as co-chairs. Dr. Kopp is a professor in the Department of Earth and Planetary Science at the School of Arts and Sciences—New Brunswick and director of the Rutgers Institute of Earth, Ocean, and Atmospheric Sciences. Dr. Lyons is associate professor of professional practices at Rutgers Business School—Newark and New Brunswick and an associate director of the Rutgers Energy Institute. They will work closely with Senior Vice President for Academic Affairs Barbara Lee and Executive Vice President of Planning and Operations Tony Calcado to constitute the membership of the Task Force. I have requested that they report back on their preliminary findings by Spring 2020.

**Robert Barchi, President**

## Request for Rutgers University to Join the UC3 -- With Attachment

President@rutgers.edu <president@rutgers.edu>

Wed 10/23/2019 11:41 AM

To: mrobinson@secondnature.org <mrobinson@secondnature.org>

Cc: Brian Ballentine <bballentine@oq.rutgers.edu>

 1 attachments (24 KB)

Recent Examples of Rutgers Cross-Sectoral Convenings.docx;

Ms. Melinda Robinson  
Second Nature

Dear Ms. Robinson:

I am writing to request that Rutgers, The State University of New Jersey, be welcomed as a new member of the University Climate Change Coalition (UC3). I believe Rutgers would be a valuable addition to the Coalition, and I am eager to have our community benefit from interaction with fellow members. As a large public research institution with 70,000 students and 23,000 faculty and staff in a coastal state that is also the most densely populated in the country, we are keenly aware of the urgency of climate action. Rutgers is firmly committed to advancing climate improvement in the higher education sector, we support the UC3 mission statement, and we meet the eligibility requirements for membership in the Coalition.

To outline our eligibility:

1. As the head of the university, I have formed a presidential task force on carbon neutrality and climate resilience, co-chaired by Professor Robert Kopp, director of the Rutgers Institute of Earth, Ocean, and Atmospheric Sciences, and Professor Kevin Lyons, associate director of the Rutgers Energy Institute. Their charge is clear: develop a comprehensive climate action plan and advise the University on solutions to reduce our greenhouse gas footprint that are environmentally sustainable, fiscally responsible, scalable, and engage the broader community.
2. We have signed the "We're Still In" document supporting the Paris Climate Agreement.
3. Rutgers is an R1 institution as designated by Carnegie.
4. I have designated the following liaisons to UC3:

- a. Brian Ballentine, my chief of staff, as executive liaison to the Coalition;
  - b. Marjorie Kaplan, associate director of the Rutgers Climate Institute, will be the research liaison;
  - c. Michael Kornitas, the director of Sustainability and Energy at Rutgers, will serve as the operational liaison;
  - d. Kim Manning, Vice President for Communications and Marketing, will serve as the communications liaison.
5. We are able and ready to participate in UC3 meetings and calls.
  6. Rutgers regularly holds cross-sectoral climate convenings (see attached document), and intends to dedicate the Fall 2010 symposium of the Rutgers Climate Institute to the charge of the President's Task Force on Carbon Neutrality and Climate Resilience. We are committed to reporting on that meeting's outcomes to the other UC3 institutions.

Rutgers is enthusiastic about the opportunity to contribute to the University Climate Change Coalition. Equally important, I know it would be invaluable for our task force to benefit from the insights and actions of fellow Coalition members as we proceed to develop a plan to achieve carbon neutrality across our institution and examine our own exposure to climate change impacts.

I look forward to hearing from you, and I would be happy to address any questions that you or the members of the UC3 Steering Committee may have as you evaluate our membership request.

Sincerely,

Robert Barchi  
President  
Rutgers, The State University of New Jersey

**We Are Still In** is a joint declaration of support for climate action, signed by more than 3,900 CEOs, mayors, governors, tribal leaders, college presidents, faith leaders, health care executives, and others. The organizations they represent comprise the largest and most diverse coalition of actors ever established in pursuit of climate action in the United States.

## Coalition Objective and Activities

Since its inception in 2017, We Are Still In has provided an overarching structure for the broad and diverse collective of American institutions that remain committed to acting on climate. At critical moments since President Trump announced his intent to withdraw the United States from the Paris Agreement, We Are Still In has stepped in to fill the vacuum of leadership and present a unified American narrative.



In concert with the objectives outlined above, We Are Still In has:

- Organized the unified U.S. presence at annual UN Climate Negotiations since 2017, and organized a collaborative presence at the 2018 Global Climate Action Summit
- Established the We Are Taking Action contribution platform for institutions to learn about and commit to tangible climate goals, and
- Convened diverse stakeholders in key states to build cross-sectoral relationships and support the passage of local climate policies

We Are Still In also aims to showcase the diverse bench of leaders who are stepping up and driving institutional change across the country - whether they come from government, academia, the private sector, or any other constituency of the coalition. The **We Are Still In Leaders Circle**, detailed below, helps guide and give voice to this movement.

As public demand and local pressure has grown over the course of the Trump Administration, U.S. subnational actors have enhanced their efforts and laid the groundwork for federal re-engagement on climate action. Those efforts are documented in the latest reports from **America's Pledge**, a separate initiative spearheaded by Former New York Mayor and UN Special Envoy Michael Bloomberg and California Governor Jerry Brown.



## **University Initiatives on Sustainable Practices**

- High-efficiency co-generation plant installed on Busch Campus in 1997
- University Committee for Sustainability established in 2005
- Large solar array installed on Livingston Campus in 2009, expanded in 2013 and is now one of the largest campus solar facilities in the country
- University Facilities Master Plan (2015) points to sustainability as a key objective
- All new construction is built to LEED Silver standards
- Green Purchasing Program through University Procurement Services
- Retrofitting existing buildings with more efficient electrical and mechanical components
- Implementing a rewards program to encourage the use of mass transit
- Purchasing low emission and electric vehicles for the University fleet
- Numerous other schools and department-level programs as cataloged at <https://sustainability.rutgers.edu>.

**Ad hoc Committee on Fossil Fuel Divestment**  
**Subcommittee discussion notes on divestment policy questions**  
**January 2021**

*Group 1: Is there is a consensus among a wide array of stakeholders that the subject of the divestment request is a concern that affects either the university community and/or people beyond its borders?*

Members: Michael L. Barnett, Cymie Payne, Menahem Spiegel, Zunaira Wasim, Jordan Warner

The Endowment Justice Collective, a group including Rutgers student organizations, alumni, and community partners, has asked Rutgers to divest from the fossil fuel industry to express the University's support for cutting global greenhouse gas emissions. The fossil fuel industry includes producers of oil, gas, and coal; including companies that support this sector with infrastructure and other services; it may include major consumers such as fossil fuel-fired utilities.

Subcommittee Group 1 has determined that there is a consensus among a wide array of stakeholders that Rutgers' investment in the fossil fuel industry is a concern that affects the university community and people beyond its borders. Specific factors that led us to this determination include:

In Fall 2020, the Rutgers University Student Assembly (RUSA) conducted campus referenda that included the question: "Should Rutgers, the State University of New Jersey, have its endowment funds divest from fossil fuel companies and invest in clean energy by 2030? Of the 3,677 students voting, more than 90 percent responded "Yes".

On December 16, 2020, the Executive Council of the Rutgers AAUP-AFT union of faculty, grad workers and postdocs passed a resolution in support of fossil fuel divestment, following up on their September 4, 2019 endorsement of the Green New Deal and voicing of support for student demands for fossil fuel divestment. This resolution notes the damage that fossil fuels cause to society and the risk they bring to Rutgers' investment portfolio.

On January 21, 2021, the Student Governing Association of Rutgers University-Newark submitted a letter co-signed by Rutgers Students for Justice in Palestine, New Jersey Public Interest Research Group, Muslim Student Association, RU Association of International Relations, UNICEF, and RU Dreamers, that calls for divestment from fossil fuels, noting the mismatch between RU's claim of being "revolutionary" and our continued investment in fossil fuels, as well as the harm that fossil fuels do to the sustainability of our planet.

Over the last several years, Rutgers University has taken steps that implicitly and explicitly recognize the need to end support for fossil fuels. These include:

- University-wide Carbon Neutrality plan underway for July 2021
- University membership to University Climate Change Coalition (UC3) in Fall 2020
- University-wide Sustainability Committee charged in 2014
- Green purchasing program through University Procurement
- One of the largest solar fields on any campus in the country
- All new buildings built to LEED standards

Peer institutions have undertaken efforts to divest from the fossil fuel industry, to include Georgetown University, Cambridge University, and Brown University.

In summary, it is evident to Subcommittee Group 1 that there is a consensus among a wide array of stakeholders that Rutgers' investment in the fossil fuel industry is a concern that affects the university

community and people beyond its borders, and we have found no stakeholder groups who hold a position in clear opposition.

*Group 2: Whether the University community has taken action to disengage from the organization, industry, or entity being considered (for example, in its purchasing decisions)*

Members: Adam Day, Shaunak Kale, Sacha Patera, Jacob Russell

To answer question #2 we decided to survey areas within the university community that may have some form of engagement with the fossil fuel industry, which could include funds received by the university, resources expended by the university, or some other form of non-financial engagement. Those areas include the President's Office, Research, Corporate Partnerships and Philanthropy, Procurement, Advisory Boards, Athletics, Career Services, Student Affairs, Academics, and Student Governments.

We contacted representatives from each area and asked whether, to the best of their knowledge, their area has taken some action to disengage from the fossil fuel industry.

There were three areas that provided examples that could constitute disengagement. None specifically spoke to the relationship between Rutgers and particular fossil fuel industry companies, but all these actions pertained to reducing Rutgers' carbon footprint and dependency on fossil fuels.

Institutional Planning & Operations (IP&O):

- Building to LEED standards,
- Installing a large solar field on the Livingston campus,
- Upgrading power plants with high efficiency turbines,
- Retrofitting existing buildings with more efficient electrical and mechanical components,
- Implementing a rewards program to encourage the use of mass transit, and
- Purchasing low emission and electric vehicles for its fleet

Student Government:

- The Rutgers University Student Assembly (RUSA) in New Brunswick passed a referendum in support of the Endowment divesting from the fossil fuel industry.

President's Office:

- The President's Office instituted a Task Force on Carbon Neutrality and Climate Resilience which is charged with developing a climate action plan that will certainly have the goal of reducing fossil fuel consumption.

All other areas indicated that they were not aware of any such efforts. The Corporate Engagement Center noted some ongoing relationships with fossil fuel industry companies, including board participation by those organizations on Rutgers advisory boards. Career Services specifically noted that their office would never exclude an employer based on the industry or product, as long as the employer meets their general recruiting standards.

*Group 3: Whether the subject of the divestment request is a social injury of such magnitude that, if not addressed, will directly affect a significant number of individuals.*

Members: Joanne Ciulla, Sarah Dadush, Enobong Branch, and Abhi Kaneria

After years of extensive research and debate, we know that fossil fuels harm the environment, health, and safety of humans and other living things on earth. The magnitude of this problem poses an existential threat to life on our planet. Fossil fuels, like cigarettes, damage people when used as directed. By not producing and selling them, we mitigate and prevent their harm. The question before us is whether divestment from fossil fuels addresses this harm? To answer it, we must first consider if divestment would harm other stakeholders besides the fossil fuel industry. Here are some considerations:

- The industry and its supply chains employ a vast number of people who would lose their jobs. In some countries and communities, the economy rests mainly on revenues from fossil fuels. However, the effect of divestment on the fossil fuel industry is gradual, giving countries and localities time to diversify and plan for their economies.
- We also know that several fossil fuel industries invest in renewable energy, so would divestment negatively affect their ability to create and support sustainable alternatives? Some oil companies have been investing a portion of their profits in clean energy companies. We can support those efforts by directly investing in clean energy while / by divesting from fossil fuels.
- Would divestment harm our ability to influence the policies of fossil fuel companies as activist stockholders? Since Rutgers' investment in fossil fuels is relatively small, shareholder activism is not a meaningful way for us to exercise our leverage. Thus, the influence "sacrifice" of divesting would be marginal. By contrast, the signaling function of Rutgers divesting would be significant. We believe this based on the media coverage of other educational institutions' divestment from fossil fuels.
- Would divestment harm the University's endowment? Divesting from fossil fuels should not harm the University's endowment because Rutgers can diversify its investments to focus on other areas that do not render the Rutgers community -- administration, staff, faculty, students -- complicit in environmental and social harm. Such diversification is likely to be financially (and reputationally) beneficial for the endowment as compared with fossil fuel investments, particularly in the long-term.

Besides causing environmental degradation, fossil fuel investment contributes to harms related to social justice, which in turn compromise the University's ability to remain aligned with its ethical and values-based commitments. We know that pollution has a disproportionate impact on the health, resources, and well-being of the least advantaged — the poor and racial, ethnic, and marginalized communities. We have also seen how the "curse of oil" has created massive corruption in some countries and contributed to poverty and social inequality.

Rutgers and its various schools, institutes, and centers have committed to advancing social justice objectives, particularly with respect to diversity, inclusion, racial justice, and poverty alleviation. Our institution has signed on to other principles regarding environmental and sustainability justice, such as the UN PRME. To continue investing in fossil fuels violates these commitments and damages the integrity and reputation of the University. This, in turn, is demoralizing and harmful to many within the Rutgers community, perhaps most especially our students.

In short, Rutgers' values extend beyond concern for the financial returns on our endowment investments. To remain in alignment with our commitments and our mission as a public institution, we must mainstream consideration of people and planet, in addition to profit, across our investment decisions. If we fail to do so, we risk harming our institution's integrity.

Our mission as a public university is to educate students so that they can pursue happy and healthy lives. And it is our students who have eloquently and loudly expressed their view that investing in fossil fuels threatens their future and their wellbeing. More generally, remaining invested in fossil fuels damages our students' (and many of our faculty and staff) positive feelings about the University. Hence, the most significant harm of investing in fossil fuels is that it violates Rutgers' mission to its students and the values it stands for as an institution.