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Chair of the Assembly of the Academic Senate
Faculty Representative to the Regents
University of California
1111 Franklin Street, 12th Floor
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August 13, 2019

JANET NAPOLITANO, PRESIDENT
UNIVERSITY OF CALIFORNIA

RE: Academic Council Statement on the Academic Senate Memorial to the Regents on Divestment from Fossil Fuels

Dear Janet,

The Academic Council has approved the attached statement expressing appreciation for the strong and serious reception from the administration and the Regents to the Academic Senate Memorial on divestment from fossil fuels. We view the positive response as a testament to the strength of our system of shared governance, and the University's broad recognition of the perilous effects of climate change.

Council encourages the University to make a public statement in support of the Memorial and to establish a clear timetable for the glide path to divestment. Now is the time for the University to reaffirm its leadership, nationally and internationally, in this critical area.

Please do not hesitate to contact me if you have additional questions.

Sincerely,

A handwritten signature in brown ink that reads "Rob C May".

Robert C. May, Chair
Academic Council

Encl:

cc: Academic Council
Senate Directors

FOSSIL FUEL DIVESTMENT
Statement by the Academic Council on the
Academic Senate Memorial to the Board of Regents

The University of California has a proud record of leadership on climate change, through the research and educational efforts of its faculty, researchers, and students, and through its institutional actions. This record aligns with the deepest values of the University as a public trust; we have been a leader by our actions in this crucial area, for the state of which we are the namesake University, and for other universities, nationally and internationally. But we cannot rest on our laurels; we must push forward with further actions if we are to remain in the forefront of efforts to stem climate change. To this end, the Academic Senate has approved the Fossil Fuel Divestment Memorial, and the Academic Council wishes to express its appreciation to the Regents for recognizing the importance of this Memorial.

The composition of University of California's investment portfolio is governed by Regents' policy, a central tenet of which is that the University "incorporate environmental sustainability, social responsibility, and governance (ESG) ... in its investments decision making." An example of the University's adherence to these values is its commitment to not holding equity positions in tobacco and tobacco related entities. Nevertheless, although they have been substantially reduced, the University retains relatively small, but still significant, stock holdings in fossil fuel companies in its portfolios.

In Spring 2019, the Academic Senate proposed the following Memorial to the Board of Regents of the University:

The U.C. Academic Senate petitions the Regents to divest the University's endowment portfolio of all investments in the 200 publicly traded fossil fuel companies with the largest carbon reserves

The Memorial, put to a ballot of the Academic Senate on all UC campuses, was approved by approximately 77% of voters, and was transmitted to the Regents by the President of the University in July, 2019. Academic Council Chair Robert May echoed this sentiment, and urged the Regents to heed the call of the Academic Senate to divest the University holdings from fossil fuel stocks.

In response, Regent Richard Sherman, chair of the Regents' Investment Committee, stated that "Members of UC's Board of Regents respect and deeply appreciate the Academic Senate's memorial that asks the University of California to divest from its investment in fossil fuels. UC faculty from across our 10 campuses voted overwhelmingly in favor of this proposal, which we take very seriously", along with the commitment that the University is "on a glide path to reduce that investment [in fossil fuel holdings] to zero." To that end, the Academic Council encourages the University's Chief Investment Officer to divest from fossil fuel holdings with alacrity, and asks that they issue a clear and responsible timetable, including appropriate accountability measures, for achieving full divestment in the near future.

Memorials to the Regents by the Academic Senate are reserved for issues deemed by the faculty of the University to be of the utmost importance. Unquestionably, global climate change due to

greenhouse gas emissions meets this threshold. Addressing the effects of greenhouse gas emissions on global climate change is a task that requires concerted efforts at virtually all levels of human activity, from the local to the global. Divestment from fossil fuels is a part of this greater effort. The Academic Council thanks the Regents for listening to the faculty, and for acting on the request of the Memorial. Divestment sets a clear and well-publicized example not just for other universities, but for corporations, states and nations. We are all partners in the efforts to prevent an impending environmental catastrophe.