

Associated Students, Inc.
California Polytechnic State University
San Luis Obispo

Resolution #21-05

RESOLUTION CALLING FOR CAL POLY AND THE CALIFORNIA STATE
UNIVERSITY (CSU) TO DIVEST FROM FOSSIL FUELS

- WHEREAS: The ASI Board of Directors serves as the official voice of students at California Polytechnic State University (Cal Poly), San Luis Obispo; and
- WHEREAS: The United Nations Intergovernmental Panel on Climate Change has determined that we as a globe have less than ten years to make urgent and unprecedented changes to our society to cut our carbon emissions by 45% by 2030 to avoid the worst impacts of climate change;¹ and
- WHEREAS: Failure to reduce carbon emissions will result in increased risk of devastating hurricanes, flooding, droughts, fire, pestilence, and food scarcity for hundreds of millions of people, especially for marginalized and underrepresented global populations;² and
- WHEREAS: To avoid these consequences, Cal Poly must take every reasonable action to ensure 2030 climate goals are met; and
- WHEREAS: Fossil fuel companies own far more gas, oil, and coal reserves than can actually be burned if we are to reach the goals that would avoid the most disastrous effects of climate change, meaning that (sans adequate climate plan) the fundamental business model of a fossil fuel company to make profit is entirely incompatible with a future not marred by the devastating consequences of exceeding carbon limits;³ and
- WHEREAS: Every major publicly traded fossil fuel company has either no plan for addressing climate change, or a climate plan that is grossly inadequate for cutting emissions by 45% by 2030;^{4, 5} and
- WHEREAS: Cal Poly's endowment and other financial accounts staying invested in fossil fuels is tantamount to investment in violent and unjust consequences for current and future generations around the world, with those who are most vulnerable and least responsible for emissions being most severely affected; and
- WHEREAS: Cal Poly's mission statement states that "as an academic community, Cal Poly values ... social and environmental responsibility";⁶ and

1 IPCC Summary for Policymakers — Global Warming of 1.5 °C

2 Ibid.

3 The Sky's Limit — Why The Paris climate goals require a managed decline of fossil fuel production

4 Discussion Paper: Big Oil Reality Check — Assessing Oil And Gas Climate Plans

5 Path to net zero: Climate change takes center stage at more US oil companies

6 Cal Poly Mission Statement

WHEREAS: Cal Poly has a moral imperative to divest from fossil fuels in all university-affiliated accounts; and

WHEREAS: The California State Student Association (CSSA) has passed a similar resolution urging the Board of Trustees and all CSU campuses to divest from fossil fuels⁷.

WHEREAS: The relevant literature states unequivocally that Cal Poly will not lose money by divesting from fossil fuels, and in fact Cal Poly stands to protect its assets from losses by divesting from such an increasingly unreliable sector;^{8,9,10,11,12} and

WHEREAS: The long-term risk exposure of investing in fossil fuels is no longer consistent with the lawful fiduciary duty that guides our investment portfolios¹³; and

THEREFORE
BE IT
RESOLVED: The ASI Board of Directors urges Cal Poly and the larger CSU to immediately curtail any new investment in fossil fuel companies in all university-affiliated financial accounts including but not limited to endowments, corporations, and Associated Students; and

FURTHERMORE
BE IT
RESOLVED: The ASI Board of Directors urges Cal Poly and the larger CSU to divest the aforementioned accounts from the top 100 coal and the top 100 oil & gas publicly traded companies within 5 years, from The Carbon Underground 200¹⁴; and

FURTHERMORE
BE IT
RESOLVED: The ASI Board of Directors urges that the CSU Board of Trustees divest the 3.3 billion dollar CSU Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT) from all fossil fuel holdings, by not buying any new fossil fuel company bonds when the current bonds mature And that the Board of Trustees divest the 1.2 billion dollar CSU Total Return Portfolio (TRP) by replacing any mutual funds that contain fossil fuels with fossil free mutual funds, and not buying any new fossil fuel company bonds when any current bonds mature; and

FURTHERMORE
BE IT
RESOLVED: The ASI Board of Directors joins with the CSSA in recommending that the Board of Trustees strongly urges all CSU campuses create an advising council consisting of students, staff, faculty, and local community members to determine reinvestment of a portion of the

7 CSSA's Resolution in Support of Fossil Fuel Divestment

8 Fossil Fuel Divestment and Portfolio Performance

9 The financial impact of fossil fuel divestment

10 The effects of the fossil fuel divestment campaign on stock returns

11 Examining the Impact of Divestment from Fossil Fuels on University Endowments

12 The Financial Case for Fossil Fuel Divestment

13 Fiduciary Duty Overview for Endowments and Foundations: Integrating Nonprofit Mission Goals into Investment Practices

14 The Carbon Underground 200

endowment into just, non-extractive investments, such as revolving green funds, and/or impact investments like local Community Development Financial Institutions (CDFIs) including credit unions, community-controlled loan funds, and community banks invest in jobs, housing, and services for low-income communities.

FURTHERMORE
BE IT

RESOLVED: The ASI Board of Directors urges Cal Poly and the larger CSU System to reinvest at least 5% of the campus endowments into climate solutions, such as revolving green funds;¹⁵ and

FURTHERMORE
BE IT

RESOLVED: The ASI Board of Directors urges Cal Poly and the larger CSU System to provide accessible accountability for the progress of fossil fuel divestment, such as quarterly investment reports available to students; and

FURTHERMORE
BE IT

RESOLVED: The ASI Board of Directors urges the California Public Employee Retirement System (CalPERS), of which Cal Poly and CSU faculty are all members, to fully divest from coal, oil, and gas; and

FURTHERMORE
BE IT

RESOLVED: This resolution will be sent to University President, Jeffrey D. Armstrong; Title IX Coordinator and Director of Office of Equal Opportunity Maren Hufton; Interim Vice President for University Diversity and Inclusion and Chief Diversity Officer Dr. Denise Isom; Provost and Executive Vice President for Academic Affairs Dr. Cynthia Jackson-Elmoore; Vice President for Student Affairs Dr. Keith Humphrey; Interim Vice President for University Development & Alumni Engagement and Chief of Staff Jessica Darin; Senior Vice President of Administration and Finance and Chief Financial Officer Cynthia Vizcaíno Villa; Vice President of Information Technology and Chief Information Officer Bill Britton; Interim Vice President for Enrollment Management & University Strategy James L. Maraviglia; Vice President for University Communications and Marketing Chris Murphy; Vice President for Research and Economic Development Renee Reijo Pera; University Counsel Robin Webb; Chief Executive Officer of Cal Poly Corporation Cody VanDorn; Interim Executive Director for Human Resources and Academic Personnel Al Liddicoat; Academic Senate Chair Dr. Thomas Gutierrez; Dean of Students Dr. Joy Pedersen; all Board Members and Executive Officers of the California Public Employee Retirement System (CalPERS) and the Academic and University Senates of all California State University campuses and all California community colleges, CSU Chancellor Joseph I. Castro,

¹⁵ Where Should the Divestors Invest?

Executive Vice Chancellor & Chief Financial Officer Steve Relyea,
and Assistant Vice Chancellor Robert Eaton.

Certified as the true and correct copy,
in witness thereof, I have set my hand
and Seal of the San Luis Obispo Cal
Poly Associated Students, Inc. this 20th
day of May 2021.

ADOPTED at the regular meeting of
the Board of Directors at San Luis
Obispo Cal Poly Associated Students,
Inc. this 19th-day of May 2021.

Attest:

ASI Secretary

Signed:

ASI Chair of the Board

Signed:

ASI President

Co-sponsored/ Authored By:

Suha Hussain, ASI Board of Directors, College of Engineering

Michelle Deyski, ASI Board of Directors, College of Science and Mathematics

Lisa Swartz (she/hers), Student