



**Financial Affairs Advisory Committee
Minutes**

December 10, 2021

Circulated: February 24, 2022

Approved: February 24, 2022

Present (virtual): Jessica Pasquale (Chair), Geoffrey Chatas (Executive VP and Chief Financial Officer), James Gulvas, Adam Matzger, Ya Sha (Alex) Yi, Romesh Saigal, Kentaro Toyama (SACUA Liaison), Cassandra Kelly, Tao Zhang, Nicholas Reed Dunnick, Douglas Richstone, Elizabeth Devlin

Absent: Erhan Bayraktar, Michael Byers, Ragini Vittal, Robert Perry

Guests: Francine Dolins, *Associate Professor of Psychology, Department of Behavioral Sciences, College of Arts, Sciences and Letters, The University of Michigan-Dearborn*

Chair Pasquale called the meeting to order at 3:03pm. Chair Pasquale welcomed the committee.

Chair Pasquale indicated that Associate Professor Dolins would be giving a presentation about investment of University of Michigan endowment dollars into a fund that is supporting the deforestation in the Democratic Republic of Congo. She shared with the committee the Oakland report.

Chair Pasquale then opened the floor to the guest speaker Associate Professor Francine Dolins.

Topic: [UM Investment Impact in DRC](#)

Guest Speaker: *Francine Dolins, Associate Professor of Psychology, Department of Behavioral Sciences, College of Arts, Sciences and Letters, The University of Michigan-Dearborn*

Associate Professor Dolins gave the committee an overview on the activities and impact of palm oil plantations in the Democratic Republic of Congo. She shared that the companies controlling the plantations have been responsible for human rights violations and the destruction of endangered baboon and chimpanzee habitats by deforestation.

Associate Professor Dolins shared that the University of Michigan is one of the largest investors into funds that are controlled by the plantation owners, Kuramo Capital Management. Other large investors include Northwestern, Washington University and Bill and Melinda Gates Foundation. Associate Professor Dolins shared that they have contacted some other investors such as Costco, Ford and UM president urging them to divest from these funds. In having major investors withdraw their support their hope is that these companies will come to understand that they need to institute more humane and environmental conscious business practices.

The committee discussed the investment policy at the university.

Chair Pasquale stated to the committee that this raises an issue about the transparency in regard to the management of the fund assets and knowledge with respect to the type of companies these funds support.



VP Chatas stated that UM policy is not to comment on its specific investments, even to the point of not acknowledging that it owns any particular asset; and high-level investment decisions, such as what kinds of investments should not be made by UM, are ultimately in the hands of the Board of Regents. <https://publicaffairs.vpcomm.umich.edu/key-issues/university-of-michigan-investment-policy/>

VP Chatas indicated that the committee could invite Erik Lundberg (Chief Investment Officer) to talk at a future meeting about university investment policies and oversight.

The committee discussed finding confirmation that the university was invested in these funds. Chair Pasquale indicated that there are publicly available sources from Regent's meeting in 2011 to confirm the initial 2011 investment in the fund under discussion.

Chair Pasquale thanked Associate Professor Dolins for sharing her presentation as there were no further questions from the committee.

Future Meeting Topic

The committee discussed future topics. One topic of interest was that of the cost of the university's commitment to carbon neutrality and what the university strategy is to meet this goal.

Wrap-up/Adjournment:

- Chair Pasquale invited the committee members to suggest future topics and she will compile a list to send to VP Chatas.
- VP Chatas will review the topic suggestions.

The meeting adjourned at 3:57pm

Respectfully submitted

Elizabeth Devlin
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