



Money CAN Grow on Trees:
Investing our Endowment Responsibly



Money CAN Grow on Trees:
Responsibly Investing our Endowment Fund

We will discuss...

- Our endowment fund
- Past success
- The next step
- Committee structure
- Who cares?



Our Endowment Fund

- Money that has been donated to the university
- Considered long term high risk investments
- \$300 million
 - The fund principle will be maintained, while the interest is used to fund scholarships and other expenditures
- Collect interest
 - Ideally 7% interest rates are achieved
 - 4% of this 7 is considered spendable
 - The remaining interest is left to account for inflation



Board of Governors

Finance and Investment Committee

Long Term Pool

Endowments

2

Foreign Equity
Funds
(40%)

8

Canadian
Funds
(60%)



Endowment Fund Balance

(2009/10 - 2013/14)



Past Success

- Last year a group of students learned that none of the university's endowment fund was allocated to responsible investments
- They met with members of the financial and investment committee, researched various options, and presented their findings and proposals at last years symposium

Picture of last years group?



Past Success

- As a result of these efforts the university has hired Aon Hewitt to identify responsible investment opportunities
 - According to their website this means that they will:
 - Evaluate economic impact; and
 - Focus on a variety of environmental, social, and governance related issues



Next Steps

- Even with this success story there are still 3 problems to address:
 1. Usask still has 0 of the 9 points available for investments on STARS
 2. There is no stakeholder representation in the selection of these responsible investments
 3. Usask has no formal definition of what a responsible investment would look like



Next Steps

- To address these issues we propose a committee composed of several Usask stakeholders to ensure that the responsible investments selected represent the values of the institution
- This committee would solve the above problems by:
 1. Facilitating stakeholder involvement
 2. Assisting in defining what a responsible investment looks at Usask
 3. Providing 2 STARS points



Committee Structure

- How do you create a committee at Usask?
What is required?
- For the University of Saskatchewan to qualify for the 2 points available in STARS for having a committee dedicated to responsible investing, the committee must:
 - Make recommendations on socially and environmentally responsible investment opportunities across asset classes
 - Represent multiple stakeholders



Committee Structure

- The committee have representatives from the following stakeholders:

- Undergraduate students - USSU
- Graduate students - GSA
- Staff - Office of Sustainability
- Faculty – ?

As a group they would have 3 major responsibilities:

1. Define what responsible investments look like
2. Aide the financial and investment committee in selecting investments that align with this definition
3. Hold Usask responsible for its commitment to invest responsibly



Board of Governors

Finance and Investment Committee

Responsible Investment Committee

Usask Stakeholders

Endowments

2

**International Funds
(40%)**

8

**Canadian Funds
(60%)**

Finance and Investment Committee

Responsible Investment
Committee

Chair (?)

USSU

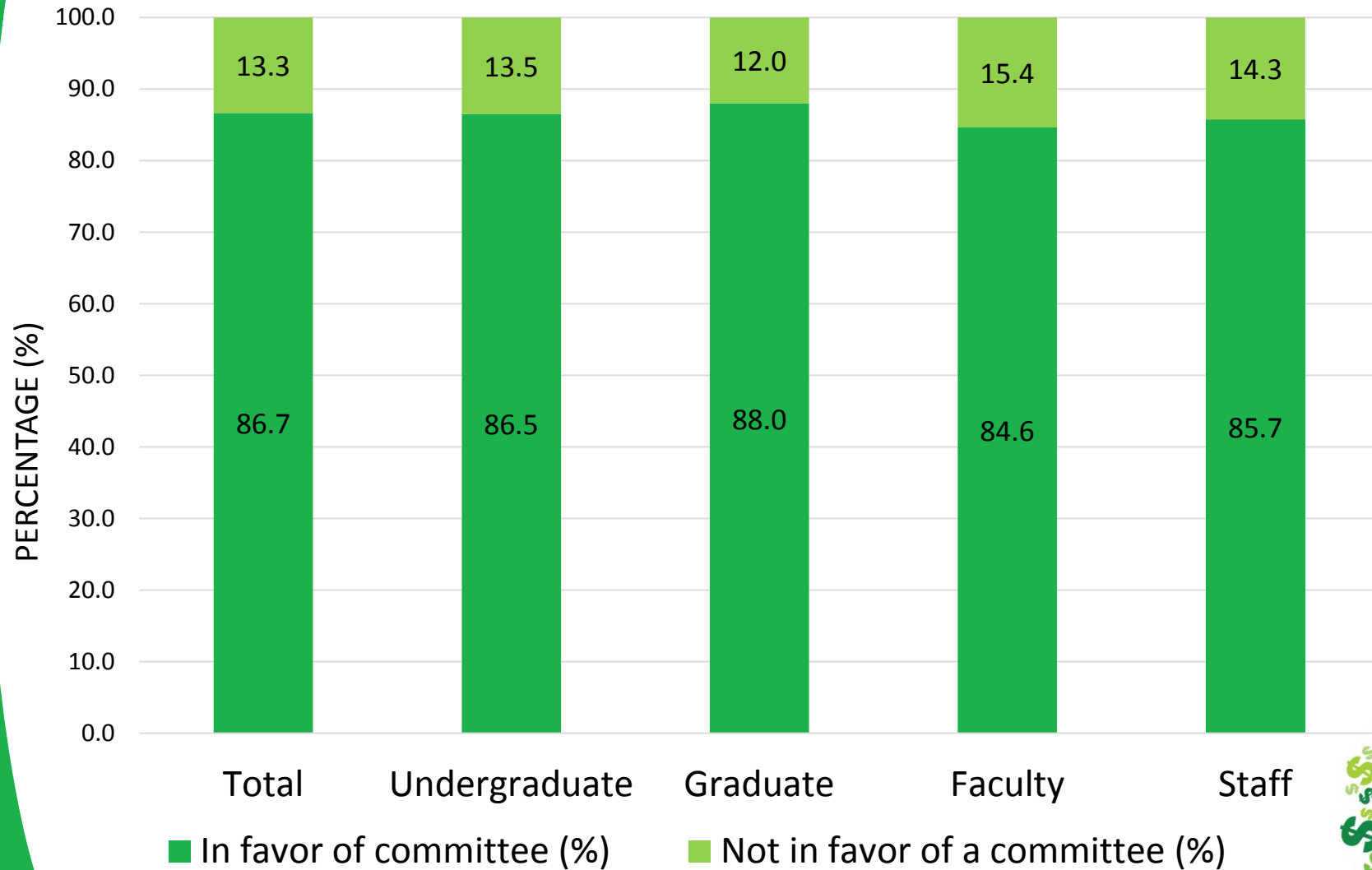
Office of
Sustainability

Staff

GSA

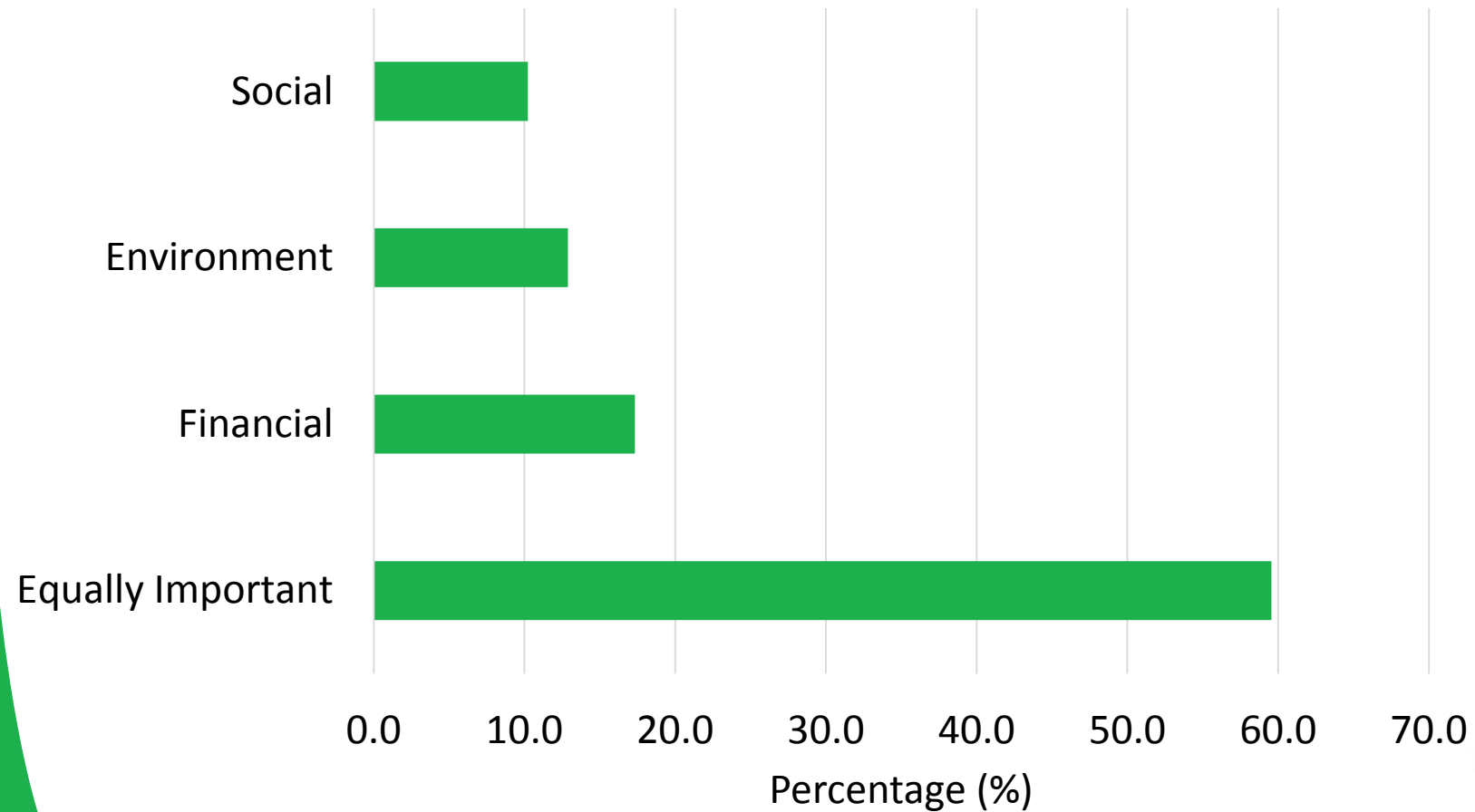
Who Cares?

Survey Respondents: Committee Support



Who Cares?

Survey Respondents: Which to you is most important to the University of SK's Endowment Investment Strategy?



Conclusion

- Blah blah blah



Questions?

- “Although I do think financial return is important for the university's investments, I think that this doesn't have to be at the cost of social or environmental good. Both can be achieved.” –Survey Respondent
- “Thank you to the class for developing this survey and taking an interest. It is certainly raising awareness and I thank you for bringing it to my attention.” – Survey Respondent



We will discuss...

- Our endowment fund
- Where the committee fits in
- What the committee would do
- Who would be involved
- Who cares?



Our Endowment Fund

- \$300 million dollars
- 10 fund managers
 - 2 international managers
 - 8 national managers
- Collect interest
 - Interest is used to fund scholarships
- Today there is no fund dedicated to sustainability



WHAT DO WE WANT?

