

# Green Mountain College

## Provost's Office

Memorandum

### POLICY FOR SOCIALLY RESPONSIBLE INVESTMENT

#### **Introduction**

Making investment decisions on the basis of social, ethical and environmental criteria is one of the ways in which Green Mountain College expresses its values. The Policy for Socially Responsible Investment (SRI) has been developed to ensure such values are taken into consideration as well as the values of maximizing our investment returns and diversifying our portfolio.

#### **Green Mountain College's Values**

According to its mission, Green Mountain College "...fosters the ideals of environmental responsibility, public service, global understanding, and lifelong intellectual, physical, and spiritual development." In its investment decisions, the College avoids investments that compromise these ideals. Investment portfolio review that ensures accountability for financial returns and social responsibility is encouraged for the purpose of monitoring the College's upholding of its values and to provide an appropriate level of transparency regarding investment.

#### **SRI Advisory Committee**

The College has requested a small SRI advisory committee to review the College's investment portfolio and provide recommendations regarding socially responsible investment initiatives to the Investment Committee of the Board of Trustees. The SRI Advisory Committee is chaired by the chief financial officer of the College and consists of two well-qualified students appointed by student senate and one faculty member appointed by the FCEB and approved by the provost.

The Committee meets four times per year, once at the beginning of each semester and once toward the end of each semester, unless additional meetings are necessary. They review quarterly returns from the investment portfolio and changes in the portfolio. On the basis of this review, they make recommendations to the Investment Committee of the Board of Trustees for action. These recommendations may relate to proxy voting, increased transparency of the portfolio, divestment of certain securities, or positive and negative screening of investments.

The SRI Committee's objective is to assist the College in making investment decisions that reflect its environmental mission. A strategic implementation plan, proposed to the Investment Committees of the Board of Trustees, should be followed as closely as possible. In the case that SRI returns are not equal to or exceed non-SRI returns, alternative SRI funds are suggested.

The SRI Committee's deliberations should be guided in part by best practices in socially responsible investing, as identified by the Sustainable Endowments Institute and AASHE's sustainability tracking and rating system's investment section. The recommendations should be made public knowledge through the College newspaper, presentations, or a branch of the College website.