

## **Proposal for the Creation of an Advisory Committee on Social Responsibility**

### **Committee Composition:**

- two undergraduate students
- two graduate students
- two faculty members
- two staff members
- two alumni
- the director of the Kenan Institute for Ethics

Each student member shall serve a two-year term. Each faculty, staff, and alumni member shall serve a three-year term. Selection to this committee shall be determined in accordance with the university's general governing procedures. The chairperson of the ACSR shall be a nonvoting member elected by the Board of Trustees and approved by the ACSR. The Board of Trustees shall determine term limits. The director of the Kenan Institute for Ethics would serve as an ex-officio voting member of the ACSR.

### **Committee jobs/responsibilities:**

- Committee shall plan and host Community Forum biannually in which concerned individuals or groups can present issues with Duke investments
- Committee shall consider proposals requesting action regarding investments by any party or organization of Duke University following the submission of a petition containing at least one hundred signatures in support of the proposal.
- Committee shall have access to lists of current holdings in the DUMAC portfolio. The committee may serve as a conduit of investment information to the Duke community.
- Duke University shall subscribe to an impartial proxy review service, such as the Corporate Proxy Resource prepared by the Investor Responsibility Research Center. The committee and University community shall have full access to such reports.
- Committee shall conduct research on social practices of companies in the DUMAC portfolio as they see appropriate.
- Committee shall participate in shareholder actions, such as voting by proxy on shareholder resolutions, sponsoring and co-sponsoring shareholder resolutions and corresponding with corporate management when warranted; when these measures fail to affect necessary change the committee may recommend divestment to the Board of Trustees' Investment Committee.

### **Meeting:**

- Committee shall meet biweekly.
- Student members of committee shall meet for an hour before regular committee meetings.
- Once each semester the entire committee shall meet with the Board of Trustees Investment Committee.

**Reporting:**

- The recommendations of the Advisory Committee on Socially Responsible Investing and the resultant actions taken by the Board of Trustees regarding these recommendations shall be published online and made available to the university community and the general public.
- The minutes from the Community Forum shall be made public via the Internet.

**Staff Support:**

The Office of the University Secretary will provide administrative support for the ACSR.

**Conclusion:**

The establishment of an advisory committee would assure that Duke acts in accordance with its mission and responsibilities as a leading, vibrant University that is a corporate citizen. The establishment of such a committee also serves Duke's educational goals: student committee members have an opportunity to see both how an endowment is managed and how Socially Responsible Investing is practiced. An Advisory Committee for Social Responsibility would ensure that the Duke University Management Company acts in accordance with highly commendable aspects of Duke's principles and actions--specifically, the ethics and conduct of corporate social responsibility--while fulfilling its responsibility to procure the resources necessary for the University through Endowment and other funds.