



April 26, 2018

Braden Fitzgerald  
President  
Associated Students of The University of Montana

Dear Braden,

Thank you for coming to the University of Montana Foundation Board of Trustees Executive Committee meeting in January in your capacity as the students' liaison to the Foundation. We recognize the position of ASUM on divestment and appreciated the opportunity for dialogue with you. As you know, divestment has been the subject of considerable deliberation by the Foundation's Trustees over the past several years. After meeting with you, the Executive Committee held discussions on the subject in person on February 2, and again on March 15-16 at our Board of Trustees meeting.

This is a complex and multi-faceted subject that requires careful evaluation. You outlined specific requests of the Executive Committee when we met, and I would like to address each of them in turn:

*1. Why did the Board of Trustees decide not to divest?*

The Board determined that our policy on investments should be consistent with our mission, and the UM Foundation's mission does not include engaging in or advocating for social or political change. We analyze each investment based on the reward for the financial risk undertaken and use a wide array of investment strategies to maximize risk-adjusted return.

*2. Would the Foundation discuss "re-investment" in companies or initiatives that support sustainability, changing the conversation from purely "divestment"?*

We feel it is a very positive move for student organizations to look beyond divestment and consider other impactful ways to address climate change. However, again, the Board's policy is to invest based on maximized risk-adjusted return, not on social or political impact.

*3. Would the Board consider adding a "green bucket" of sustainable investments to the portfolio?*

No. The Board has a fiduciary responsibility to maximize risk-adjusted return.

*4. Would the Foundation be a partner in exploring open-ended discussion about climate change, including as an issue outside of the area of investments (i.e., how it could be embraced as an organization)?*

No, the Foundation has a narrow role – we are an independent non-profit organized to raise and manage private support for UM based upon the priorities set by the University.

President and CEO Cindy Williams and Board leadership welcome the opportunity to engage with ASUM and future Student Liaisons on issues that are important to students. Thank you for strengthening the relationship between ASUM and the UM Foundation.

Sincerely,

A handwritten signature in black ink that reads "Mary Olson".

Mary Olson  
Chair  
University of Montana Foundation Board of Trustees