

January 30th, 2022

Spruell Driver  
Director, Office of Conflict of Interest and Commitment Management  
2100 West End Ave, Suite 750  
Nashville, TN 37203

Director Driver,

The complaint filer accuses DANIEL DIERMEIER of multiple violations of the Vanderbilt University Conflict of Interest Policy, committed as follows:

During the period from August 2020 to present, as set forth below, DIERMEIER concealed business relationships with agents of the fossil fuel industry while directing University resources to said agents through his role as University Chancellor. As the principal officer of several Limited Liability Corporations that offer reputational consulting services, DIERMEIER appears to maintain significant Financial Interests with major fossil fuel industry clients. This Financial Interest may include compensation for services rendered during a high-profile speaking engagement on September 30, 2020, in which DIERMEIER advised executives of the fossil fuel industry on “Perception Management” during a closed-door International Pipeline Foundation conference.

DIERMEIER’S role as Chancellor and Investment Committee member grants DIERMEIER the opportunity to influence the University’s investment decisions in ways that financially benefit his clients and professionally benefit his personal business relationships with them. By not recusing himself from matters related to fossil fuel companies brought to the Investment Committee, DIERMEIER has chosen to maintain influence of University contracts and business relationships in which he has a potential Financial Interest, which creates the *appearance* of a conflict of interest (“COI”). As defined in Article I of the Vanderbilt University Conflict of Interest and Commitment Policy even the *appearance* of a conflict of interest is a conflict of interest that demands remediation.

The Office of Conflict of Interest and Commitment Management should conduct a thorough independent investigation to discover whether or not DIERMEIER met Article IV disclosure requirements as well if DIERMEIER violated any other policies of the University Conflict of Interest and Commitment Policy. After concluding the investigation, the University Conflicts Committee should submit a report to the Audit Committee of the Board of Trust for review and approval (Article V Section B.11). Due to the high profile nature of this matter, the results of this review should be further disclosed to the campus community.

## **SUPPORTING DOCUMENTATION**

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## THE COMPLAINT SUBJECT

DANIEL DIERMEIER, married to ARIELA LAZAR, is the Chancellor of Vanderbilt University from July 1, 2020 to present. DIERMEIER and LAZAR are the principal officers of at least nine Limited Liability Corporations registered to a 2.4 million dollar residential unit at the following Nashville address, herein referred to as “The Penthouse”:

[REDACTED]

## EVIDENCE OF CONFLICT OF INTEREST BEHAVIOR

1. On August 12, 2020, DIERMEIER registered “Novo Aurelius LLC” to his apparent residential address at “The Penthouse.”<sup>1</sup>
  - a. “Novo Aurelius” may be translated from Latin as “New Front Cover.”<sup>2 3</sup>
  - b. DIERMEIER, who is fluent in Latin<sup>4</sup>, is listed as the principal officer and the only employee.
2. On August 13, 2020, the International Pipeline Foundation announced for the first time that registration had opened for its virtual 2020 conference.<sup>5</sup>
  - a. The official conference sponsors included Enbridge Pipelines, TC Energy Natural Gas Company, Petrosleeve Pipeline Repair, and five additional fossil fuel service companies.<sup>6</sup>
  - b. Corporate conference registrants included ExxonMobil, PG&E, Marathon Petroleum, and approximately 15 other fossil fuel companies.<sup>7</sup> Corporate registration rates are listed as between \$6,198 and \$39,500 per company.<sup>8</sup>
3. On September 30, 2020, DIERMEIER spoke with fossil fuel executives as part of the International Pipeline Foundation Conference Executive Leadership Panel.<sup>9</sup>
  - a. The panel was called “Managing Perceptions” and consisted of executive panelists from ROSEN Group Oil Industry Company and TC Energy Natural Gas Company in addition to DIERMEIER.
  - b. DIERMEIER was introduced as “Chancellor, Vanderbilt University,” however, unlike other official university appearances, Vanderbilt University does not acknowledge DIERMEIER’s participation in the event on official channels or social media.

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<sup>1</sup> [Business Entity Detail: NOVO AURELIUS LLC](#), Tennessee Secretary of State (filed Aug. 12, 2020)

<sup>2</sup> [What does aurelius mean in Latin?](#), WordHippo

<sup>3</sup> [What does novo mean in Latin?](#), WordHippo

<sup>4</sup> ["Foreign Language Proficiency"](#), Daniel Diermeier Curriculum Vitae (retrieved Jan. 26, 2021)

<sup>5</sup> [“Group corporate registration packages are now available...”](#), IPC 2020 Calgary [@IPC\_Calgary], *Twitter* (Aug. 13, 2020)

<sup>6</sup> [Sponsors](#), IPC 2020 (Sep. 2020)

<sup>7</sup> [Register](#), IPC 2020 (Aug. 2020)

<sup>8</sup> [Corporate Commitment Form](#), IPC 2020 (Aug. 2020)

<sup>9</sup> [Executive Leadership Panel](#), IPC 2020

- c. It is unclear if DIERMEIER was compensated for his remarks, and if this compensation exceeded the \$5,000 significant financial interest defined by the Vanderbilt Conflict of Interest Policy.<sup>10</sup>
- 4. In a November 18, 2020 interview with the Vanderbilt Hustler, DIERMEIER stated that he did not support the divestment of University resources from fossil fuel companies despite undergraduate and graduate resolutions requesting the University to do so.<sup>11</sup>
  - a. DIERMEIER did not disclose his ongoing, external relationship with fossil fuel companies during this interview, nor did he meet with students or faculty to consider the resolutions.
- 5. On March 16, 2021, DIERMEIER and LAZAR simultaneously registered 8 additional LLC's to "The Penthouse," including:
  - a. Diermeier Consulting LLC<sup>12</sup>
    - i. According to SourceWatch<sup>13</sup>, Diermeier Consulting LLC clients include:
      - 1. BP Oil and Gas company
      - 2. Exelon Energy Company
      - 3. Shell Oil and Gas Company
      - 4. People's Energy
  - b. Daniel Diermeier Consulting LLC<sup>14</sup>
    - i. Daniel Diermeier Consulting LLC generated \$46,223 in revenue and employed a single person, ARIELA LAZAR.<sup>15</sup>
    - ii. On his LinkedIn profile, DIERMEIER lists himself as associated with Daniel Diermeier Consulting LLC since May 2002.<sup>16</sup>
  - c. Several other LLCs were filed. Two notable examples include Anatta Holdings LLC<sup>17</sup> and Sunyata Holdings LLC<sup>18</sup>. In the Buddhist tradition, *annata* refers to "non-self"<sup>19</sup> and *sunyata* refers to "emptiness" or "voidness".<sup>20</sup>

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<sup>10</sup> [Vanderbilt University Conflict of Interest and Commitment Policy](#), Vanderbilt University (effective Apr. 20, 2017)

<sup>11</sup> Jessica Barker et. al., [Debrief with Diermeier: Destination Vanderbilt, community in the face of COVID-19, football and more](#), Vanderbilt Hustler, (Nov. 19, 2020)

<sup>12</sup> [Business Entity Detail: Diermeier Consulting LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>13</sup> [Diermeier Consulting](#), SourceWatch (accessed Jan. 25, 2020)

<sup>14</sup> [Business Entity Detail: Daniel Diermeier Consulting LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>15</sup> [Daniel Diermeier Consulting LLC](#), D&B Business Directory (accessed Jan. 25, 2020)

<sup>16</sup> [Daniel Diermeier](#), LinkedIn ((accessed Jan. 25, 2020)

<sup>17</sup> [Business Entity Detail: Anatta Holdings, LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>18</sup> [Business Entity Detail: Sunyata Holdings LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>19</sup> [Anattā](#), Wikipedia

<sup>20</sup> [Śūnyatā](#), Wikipedia

- i. Other LLCs include: Launch Education LLC<sup>21</sup>, Workplace Analytics LLC<sup>22</sup>, Domicile LLC<sup>23</sup>, Kleonomic LLC<sup>24</sup>.
6. In an April 23, 2021 interview with the Vanderbilt Hustler, DIERMEIER reiterated his position against fossil fuel divestment, stating “We’re going to adopt a stance of principled neutrality”.<sup>25</sup>
  - a. DIERMEIER did not disclose his ongoing, external relationship with fossil fuel companies during this interview, despite implying explicit neutrality on the topic.
7. On May 24, 2021, DIERMEIER announces the University’s \$1.6 million dollar donation to the ClimateVault initiative<sup>26</sup>, a program that utilizes the purchase and sale of carbon permits to “support enterprises that are deploying [carbon capture] technologies to remove the CO2.”<sup>27</sup>
  - a. According to Politico’s EE news, fossil fuel companies are among the largest enterprises supporting carbon capture technology, investing “billions” into the technology space.<sup>28</sup>
8. On June 1, 2021, a twitter account run by the Independent Petroleum Association of America<sup>29</sup> tweeted its support for DIERMEIER’s ClimateVault program.<sup>30</sup>
  - a. The tweet acknowledges the program “as opposed to #divestment,” and therefore an implicit investment of University resources into fossil fuel companies and/or their interests.
9. On December 8, 2021, in response to Al Gore’s endorsement of Vanderbilt divesting from fossil fuels, DIERMEIER restated his view that Vanderbilt will not consider divestment under his leadership, stating “I have to think about any policy issues and the issue of climate change from the point of view of a *university* and how a university should respond to that, not as a political entity.”<sup>31</sup>
  - a. DIERMEIER did not disclose his ongoing, external relationship with fossil fuel companies as a factor that may appear to affect how he considers the University’s investments.

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<sup>21</sup> [Business Entity Detail: Launch Education LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>22</sup> [Business Entity Detail: Workplace Analytics, LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>23</sup> [Business Entity Detail: Domicile LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>24</sup> [Business Entity Detail: Kleonomics LLC](#), Tennessee Secretary of State (filed Mar. 16, 2021)

<sup>25</sup> Jonathan Liu et. al., [Debrief with Diermeier: Close of the 2020-21 school year, vaccine protocols, the VSG election and more](#), Vanderbilt Hustler (Apr. 25, 2021)

<sup>26</sup> [Vanderbilt announces new collaboration to accelerate efforts to address its carbon footprint and tackle climate change](#), Vanderbilt University (May 24, 2021)

<sup>27</sup> [Carbon Reduction and Removal](#), ClimateVault

<sup>28</sup> Crobin Hiar, [The cash behind carbon removal: Big Oil, tech and taxpayers](#), EENews (Dec. 17, 2021)

<sup>29</sup> [About](#), DivestmentFacts.com

<sup>30</sup> ["NEWS: Vanderbilt chose to engage with non-profits to solve for climate change, as opposed to #divestment."](#), DivestmentFacts [@DivestmentFacts], Twitter (Jun. 1, 2021)

<sup>31</sup> Katherine Oung et. al., [Debrief with Diermeier: Leadership, Al Gore, the omicron variant and more](#), Vanderbilt Hustler (Dec. 8, 2021)

- b. Despite the high profile endorsement and years of community requests, DIERMEIER has yet to meet with a single student or faculty member regarding the University's fossil fuel investments.
10. As of January 25, 2022, page 31 of the University Chancellor's official Vanderbilt CV<sup>32</sup> includes the following clients for outside work "in the areas of crisis management, business and politics, reputation management, political, and regulatory risk and integrated strategy,":
- a. Shell
  - b. ExxonMobil
  - c. BP
  - d. Enbridge
  - e. CMS Energy Company
  - f. FMC Technologies (Oil and Gas Exploration)
  - g. McDermott (Oil and Gas Infrastructure)
  - h. Nicor (Natural Gas Infrastructure)
  - i. People's Energy (Natural Gas Utility)
  - j. International Pipeline Foundation
  - k. Canadian Energy and Pipeline Association

## Daniel Diermeier's Fossil Fuel Clients



ExxonMobil



ENBRIDGE



FMC Technologies

MCDERMOTT



PEOPLE'S  
ENERGY COMPANY

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<sup>32</sup> ["Outside Activities, Advisory"](#), Daniel Diermeier Curriculum Vitae (retrieved Jan. 26, 2021)

## IMAGE OF DIERMEIER WITH FOSSIL FUEL EXECUTIVES



**IMAGE:** While serving as Chancellor, DIERMEIER, listed as representing Vanderbilt University, speaks to executives from ROSEN Group Oil Industry Company and TC Energy Natural Gas Company during an executive panel called “Managing Perceptions” at the 2020 International Pipeline Conference. Screenshot obtained from [IPC 2020 Highlight Video](#)

## POTENTIAL COI VIOLATIONS

As outlined in the Vanderbilt University [Conflict of Interest and Commitment Policy](#):

1. As Chancellor of the University, DIERMEIER is a *fiduciary* with *special duties of care and loyalty to the University as a whole*. A custodian of University assets, DIERMEIER has a *clear obligation to make decisions and conduct the affairs of the University based upon the desire to promote the best interests of the University and must keep the University's interests paramount to all others*. If DIERMEIER refused to meet with University constituents regarding certain investments to preserve his business relationship with certain external clients, this may be a COI.
2. The Chancellor is a member of the Vanderbilt University Investment Committee.<sup>33</sup> As Chancellor, DIERMEIER shares the authority and responsibility “for the management, investment and custody of the University's endowment assets, and of assets functioning as endowment, and for the investment of the assets of charitable remainder and other trusts where the University is named trustee.” DIERMEIER’S position on the Investment Committee, which entails the authority on policy decisions regarding investment in fossil fuel companies, grants DIERMEIER the *opportunity to influence the University's business...in ways that could lead to financial, professional, or personal gain or advantage of any kind*. If DIERMEIER issued directions to the Office of Investments that resulted in the increased investment of University resources into the industry of his external clients, this may be a COI.
3. DIERMEIER concealed business relationships with agents of the fossil fuel industry while making public statements regarding the direction of University resources to said agents through his role as University Chancellor, which creates *the appearance of affecting an individual's professional judgment in exercising any University duty or responsibility*. DIERMEIER’S engagement in *external business activities* with fossil fuel companies may *interfere with [his] primary obligation and commitment to the University* and may further be a COI.
4. By participating in 2020 International Pipeline Foundation Conference<sup>9</sup> in the third month of his tenure as Chancellor, DIERMEIER has not taken *particular care to avoid relationships in which Financial Interests or other personal interests intersect with the University's interests and have the potential for inappropriate factors to be considered in administrative decisions*. DIERMEIER’S immediate involvement in

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<sup>33</sup> [Committees of the Board of Trust](#), Vanderbilt University Code of Bylaws

*external business activities* has failed to meet the expectation as University Chancellor to *devote [his] primary professional loyalty, time, and energy to [the] position* and may be a COI.

5. By not recusing himself from matters related to fossil fuel companies brought to the Investment Committee, DIERMEIER has continued to *review, approve, or administratively control contracts or business relationships... in which the individual has a Financial Interest*. Precedent exists for University Trustees to recuse themselves when reviewing fossil fuel investments. On September 20, 2019, Harvard University spokesperson Jonathan L. Swain announced the recusal of Harvard Corporation member Theodore V. Wells “from any Corporation deliberations or votes related to fossil fuel divestment” due to Well’s representing oil and gas company ExxonMobil in climate change litigation.<sup>34</sup> DIERMEIER’s failure to recuse himself in a timely manner may be a COI.

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<sup>34</sup> Alexandra A. Chaidez et. al., [...A Look at Harvard Corporation Members’ Ties to the Fossil Fuel Industry](#), The Harvard Crimson (Sept. 20, 2019)

## CONCLUSION

This conflict of interest complaint outlines evidence that suggests DANIEL DIERMEIER has committed multiple violations of the Vanderbilt University Conflict of Interest Policy.

The Office of Conflict of Interest and Commitment Management should conduct a thorough investigation to discover whether or not DIERMEIER *disclosed in advance all Significant Financial Interests and outside activities and Financial Interests that create or have the appearance of creating Conflicts of Interest to the appropriate University officials* (Article IV Section A). If DIERMEIER'S activities were disclosed, the Office should ensure that such disclosures were *sufficiently detailed and timely as to allow accurate and objective evaluation prior to making commitments or initiating activities that create conflicts of interest or commitment* (Article IV Section A). The Office should further evaluate why DIERMEIER made multiple public statements regarding fossil fuel investments on behalf of the University without disclosing his ongoing, external relationships with fossil fuel company clients.

A new independently appointed University Conflicts Committee should be established to review DIERMEIER'S Conflict of Interest Case. The independence of the University Conflicts Committee members is crucial for a proper evaluation of DIERMEIER'S COI Case. The existing statute Article V Section A currently grants the Chancellor the power to appoint members of the University Conflicts Committee, which may lead to the appearance of an illegitimate evaluation of DIERMEIER's COI Case.

Once established, the independent University Conflicts Committee should follow the Duties and Responsibilities as described in Article V and submit a report to the Audit Committee of the Board of Trust for review and approval (Article V Section B.11), the results of which should be shared with the campus community.

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According to Chapter 1, Section A.6 of the [Vanderbilt University Bylaws](#), after careful review, should the Vanderbilt Board of Trust Governance and Board Affairs Committee find that DIERMEIER:

*willfully breached the University's Conflict of Interest Policy; or knowingly made false or misleading statements; or been convicted of a felony; or willful breached confidentiality; or engaged in improper or immoral behavior inconsistent with the conduct expected of a Trustee,*

The Board may reserve the right to begin the procedures for considering the removal of DANIEL DIERMEIER as Vanderbilt University Chancellor, as outlined in Chapter 1, Section A.6.

## REFERENCED CLAUSES

From the Vanderbilt University [Conflict of Interest and Commitment Policy](#)

### Article I: Policy Statement

*“Accordingly, all individuals in the University community have a clear obligation to make decisions and conduct the affairs of the University based upon the desire to promote the best interests of the University in a manner consistent with those goals. Trustees and members of senior administration are fiduciaries and owe special duties of care and loyalty to the University as a whole and must keep the University’s interests paramount to all others.”*

*“A Conflict of Interest refers to a situation in which an individual’s financial, professional, or other personal considerations may directly or indirectly affect, or have the appearance of affecting, an individual’s professional judgment in exercising any University duty or responsibility, including the conduct or reporting of research. Typically, a Conflict of Interest may arise when an individual has the opportunity or appears to have the opportunity to influence the University’s business, administrative, academic, patient care, research, or other decisions in ways that could lead to financial, professional, or personal gain or advantage of any kind, whether or not the value is readily ascertainable.”*

*“A Conflict of Commitment refers to a situation where an individual engages in external activities, either paid or unpaid, that interferes with his/her primary obligation and commitment to the University.”*

### Article II: Conflict of Interest Guidelines

#### A. University Administration

*“Members of the University community with administrative responsibilities must take particular care to avoid relationships in which Financial Interests or other personal interests intersect with the University’s interests and have the potential for inappropriate factors to be considered in administrative decisions.”*

#### B. Business Relationships

*“Members of the University community may not review, approve, or administratively control contracts or business relationships when the contract or business relationship is between the University and a Business in which the individual or a Family Member has a Financial*

*Interest or when the individual or a Family Member is an employee of the Business and is directly involved with activities pertaining to the University.”*

#### **D. Use and Appropriation of University Assets**

*“As custodian of these assets, members of the University community owe a fiduciary duty to the University to act in accordance with applicable University procedures regarding the proper expenditure of the University’s funds, as well as the use and control of University assets, including confidential and privileged information.”*

### **Article III. Conflict of Commitment Guidelines**

*“A Conflict of Commitment relates to an individual's distribution of effort between University employment or faculty appointment and commitment to external business activities or employment, external professional activities, or personal activities.”*

*“A Conflict of Commitment can arise when the external activities burden or interfere with the University member's primary obligations and commitments to the University. It is the policy of the University that all full-time faculty and staff members are expected to devote their primary professional loyalty, time, and energy to their position at Vanderbilt.”*

*“Although a specific work-week is not defined for faculty, senior administration and full-time exempt staff, it is expected that such positions constitute a full-time obligation and that, with the exceptions explicitly permitted by University policies on external activities, they will not engage in other employment. Accordingly, external activities must be arranged so as not to interfere with the primary commitments.”*

## APPENDIX

### Vanderbilt University Policy Documents

Vanderbilt University [Conflict of Interest and Commitment Policy](#)

Vanderbilt University [Code of Bylaws](#)

Page 31 of [Daniel Diermeier CV](#)

#### OUTSIDE ACTIVITIES

##### ADVISORY

Advisor in the areas of crisis management, business and politics, reputation management, political and regulatory risk and integrated strategy. Clients include Abbott, Accenture, ADT, AHIP, Allianz, American Orthopaedic Association, APCO, Baker & McKenzie, Baxter International, [BP](#), [Canadian Energy and Pipeline Association](#), CIBC, Cargill, Carpenter Technology, CEO's of Sport, the City of Chicago (Office of the Mayor), [CMS Energy](#), ConAgra, The Dallas Morning News, Ernst & Young, Edelman, [Enbridge](#), EISAI, [Exelon](#), [ExxonMobil](#), the FBI, [FMC Technologies](#), General Mills, Government of Canada, W. W. Grainger, GTECH, Guidant, Health Care Service Corporation, Hearst Foundation, HCSC, HSBC, Hyatt, IFCO Systems, Initiative for a Competitive Inner City, Intercontinental Exchange, [International Pipeline Foundation](#), International Security Management Association, Johnson & Johnson, Kraft, Manufacturers Alliance for Productivity and Innovation (MAPI), [McDermott](#), McDonald's, Medtronic, Metro AG, Metro Cash & Carry International, Minority In-House Counsel Association, Mission Measurement, National Investor Relations Institute, [Nicor](#), OnCall International, [Owens-Illinois](#), [People's Energy](#), Perkins Coie, PricewaterhouseCoopers, Power Construction, Regulatory Affairs Professional Society (RAPS), Reputation Institute, REWE, Roche Diagnostics, Russel Reynolds, Seafood Expo North America, Seminarium, [Shell](#), Society of