



Cornell University Student Assembly

Cornell University Student Assembly

Minutes of the Thursday, February 15, 2018 Meeting
4:45pm-6:37pm in Willard Straight Hall: Memorial Room

I. Call to Order & Roll Call

- a. J. Kim called the meeting to order at 4:45 pm.
- b. Roll Call:
 - i. *Present:* D. Barbaria [0], A. Chowdhury [1], V. Devatha [1], O. Din [2], O. Egharevba [0], N. Hernandez [0], R. Herz [5], M. Indimine [1.5], S. Iruvanti [0], G. Kaufman [0], J. Kim [0], S. Lim [0], L. Lipschutz [4.25], D. Nyakaru [0], S. Park [1.5], G. Park [0], C. Schott [1.25], E. Shapiro [1], J. Sim [1], M. Valadez [1], I. Wallace [1]
 - ii. *Absent:* T. Ball (*unexcused*) [0.5], O. Corn (*excused*) [0], R. Cornell (*excused*) [2.5], H. Hassan (*excused*) [2.75], M. Peralta-Ochoa (*excused*) [1], S. Romero Zavala (*unexcused*) [1], D. Tokunboh (*unexcused*) [2.75]

II. Oath of Office

- a. Natalia Hernandez was sworn in as the Minority Students Liaison At-Large using the Oath of Office.

III. Presentations

- a. Provost Michael Kotlikoff and Executive Vice President Joanne DeStefano presented in regard to Student Assembly Resolution 28.
 - i. M. Kotlikoff said that 78% of Cornell University's endowment is restricted, meaning that it is given to the University for a specific purpose, and those funds can therefore only be used for the purposes they are given. He added that 25% of that amount is used for financial

aid, which is a critical component to allowing access to Cornell.

- ii. J. DeStefano said that the University's investors do not directly invest in any fund, but instead hire investment managers to do this. She added that it is important for the University to not restrict their top managers in regard to what they can invest in, as doing so could cause Cornell to lose access to its top managers.
- iii. J. DeStefano commented that it is difficult to justify the impact on the University that using the endowment for political and social causes could possibly have, referencing the Kalven Report of 1967.
 - 1. The Kalven Report states that universities have a role in fostering development of social and political values, but to become a critic itself would endanger the effectiveness and the existence of the university.
- iv. J. DeStefano cited the University's criterion of "moral reprehensibility" for divestment, which states that Cornell will divest in cases of acts including but not limited to genocide, apartheid, slavery, and human trafficking.
- v. M. Kotlikoff said that Seth Klarman '79 is the alumnus of Cornell in charge of the Baupost hedge fund, and that the University is grateful for his generosity.
 - 1. Earlier this decade, Seth Klarman donated funds to Cornell that were used in the construction of Klarman Hall on Central Campus.
- vi. M. Kotlikoff said that if Cornell were to divest from Baupost, it would not help Puerto Rico, and that it would do nothing regarding the terms of the territory's debt restructuring.
- vii. G. Kaufman asked whether or not Cornell is allowed to express selective constraints in regard to its investment managers. He also asked whether M. Kotlikoff and J. DeStefano could address concerns that he had in that Cornell's potential Puerto Rican debt holdings would, in fact, have significant impact.

- viii. J. DeStefano said that the Cornell investment office works by investment committees and subcommittees, one of which is tasked with reviewing the risks and rewards of hedge fund investments. She explained that the managers make decisions about investments that are generally large portfolios and not individual investments, and that in these cases the University does not have any choice regarding the components of the investments.
- ix. A representative of The Cornell Daily Sun said that in the past, divestment has been a major issue at Cornell and that it has led to prominent scholars leaving the University, and asked whether or not this might become an issue in this case.
- x. M. Kotlikoff responded in the affirmative, saying that this concern led to the discussion that gave rise to the aforementioned “morally reprehensible” criterion.
- xi. The Daily Sun representative asked whether or not Cornell has ever divested in accordance with the “morally reprehensible” criterion.
- xii. J. DeStefano said that it occurred once since the policy’s inception.
 - 1. This divestment was in regard to the human rights violations in Sudan in 2006.
- xiii. Community member Elizabeth Chi asked whether or not M. Kotlikoff and J. DeStefano could be more transparent regarding what a divestment campaign must do to meet the “morally reprehensible” threshold, and inquired whether or not such a thing was a stalling tactic.
- xiv. M. Kotlikoff said that the University’s Board of Trustees would vote on any divestment campaign, and that the fossil fuel divestment campaign did not meet this threshold.
- xv. J. DeStefano said that the threshold must be strict, otherwise there would be a well-meaning cause every week that would make Cornell divest.

- xvi. M. Kotlikoff added that any assertion that actions are morally reprehensible would need to sway the majority of the Board of Trustees.
- xvii. Christopher Arcé said that it is obvious to him that the debt holdings are morally reprehensible, and that the bankruptcy process occurring now is only happening because the American government routinely denies the Puerto Rican people equal rights, and that allowing Cornell to invest in Baupost is an example of colonialism.
- xviii. J. DeStefano said that one of the conditions regarding divestment is whether or not divesting will have an impact on the issue at hand. She said that all the concerns that C. Arcé stated are real, but that a divestment is a statement, and does not make an impact.
- xix. M. Kotlikoff said that they must be careful about blaming the problems C. Arcé outlined on the investors who purchased bonds that Puerto Rico offered.
- xx. Rahul Mukherjee asked why Seth Klarman has invested \$2.9 billion in lobbying efforts to stop the negotiations of Puerto Rico's debt payments.
- xxi. M. Kotlikoff said that he was not sure where these statistics came from, but that part of this is normal negotiation such that Baupost can get the most amount possible back of what they have invested.
- xxii. R. Mukherjee asked whether or not the best solution would therefore be to support negotiation.
- xxiii. M. Kotlikoff said that he does not think that it is appropriate to ascribe negative motivations to the individuals participating in this process.
- xxiv. R. Mukherjee asked why Cornell does not disclose their partnerships, considering that institutions such as Harvard University, Yale University, and Princeton University do so.
- xxv. J. DeStefano said that Cornell is not a direct investor and that they hire managers for investment, and will follow up on this once she is able to find out whether or not the

investments disclosed by Harvard, Yale, and Princeton are indeed direct.

- xxvi. T. Ball called into question the legitimacy of the earlier statement that Cornell does not involve itself in political issues, saying that Cornell constantly takes political stances, referencing the University's statement regarding DACA. He also said that if Cornell does not divest, then it remains complicit in the devaluing of black and brown bodies, which is as morally reprehensible in this case as it is when it occurs during apartheid.
- xxvii. M. Kotlikoff stated his respect for these opinions, but that Cornell's DACA statement was not political, but a statement of supporting students enrolled at Cornell, so as to ensure (to the extent that they can) that students do not suffer from such a change in policy. He reiterated that the endowment must be used to support students, and not to make political statements.
- xxviii. G. Kaufman asked what impact divestment would have on the operating budget.
- xxix. J. DeStefano said that the real impact would be the restriction imposed on the University's investment managers and their ability to invest. She said that Cornell has worked hard to get the top tier of managers, and that more divestments would eventually result in Cornell having to take a lower level of investors, creating upward of \$100 million in losses.
- xxx. M. Kotlikoff stated that Cornell's endowment is no different than the endowment of any other university, but that their threshold for divestment is slightly different, and that such a step is reserved for only the most important issues.

IV. Open Microphone:

- a. No speakers at the open microphone

V. Approval of Minutes:

- a. Minutes of February 8th, 2018
 - i. R. Herz motioned to amend the minutes to remove the phrase “on the part of the former” – amended 22-0-1.
 - 1. This phrase occurs in section VI, subsection g, subsection v.
 - ii. Motion to approve the minutes of the February 8th, 2018 Student Assembly meeting – approved unanimously.

VI. Announcements and Reports I:

- a. Academic Policy Committee
 - i. Alexis Pollitto spoke about a survey regarding course pre-enrollment, and that she would appreciate it if Student Assembly members could share the link to the survey with their constituents. She also referenced an undertaking regarding student-wide communication.
- b. Graduate and Professional Student Assembly
 - i. D. Barbaria said that the GPSA’s resolution recommending changes to the LGBTQ Resource Center has led to talks with the Division of Human Resources.
- c. Anabel’s Grocery I
 - i. V. Devatha said that Anabel’s Grocery is conducting a February Break Giveaway at the Law Library, and that potential winners must first join the Anabel’s Shoppers Club.
- d. Cornell Design and Tech Initiative
 - i. R. Herz said that CDTI is seeking Student Assembly feedback.
- e. Anabel’s Grocery II
 - i. G. Kaufman asked V. Devatha a question regarding the supposed financial difficulties of Anabel’s Grocery.
 - ii. V. Devatha said that he cannot speak in this regard since he did not attend the previous Anabel’s meeting, and that developments will come in the future to help solve financial difficulties.
- f. Appropriations Committee

- i. G. Kaufman said that the Appropriations Committee allocated funds to Sexual Assault Awareness Week.
- g. Net-Print Task Force
 - i. J. Sim said that the task force met on the previous day, and that a survey that the task force sent out got 640 responses, which they are now taking the comments from so as to see what concerns the student body has that the task force can act on.
 - ii. J. Sim said that the task force has two new liaisons.

VII. Business of the Day:

- a. J. Kim said that representative from the Slope Day Programming Board will present at 5:45 pm, and that discussion of Resolution 28 will be postponed until after their report.
- b. Resolution 24: Allocating Part of the Student Assembly Surplus
 - i. D. Barbaria said that this resolution was on the agenda at the end of Fall 2017, and that this resolution's objective is to allocate funds that were set aside by a resolution passed two years ago. He said these funds would help underserved student organizations that address issue areas on campus, including veteran students, students with disabilities, and first-generation students.
 - 1. The resolution referenced by D. Barbaria is Student Assembly Resolution 40, passed in Spring 2016.
 - ii. Motion to vote – passed 23-0-1.

VIII. Announcements & Reports II:

- a. Slope Day Programming Board
 - i. Adja Toure announced the headliner and special guest performers for Slope Day 2018. She also said that the Slope Day Programming Board (henceforth SDPB) will soon be asking for funds from the Student Assembly, since the SDPB now knows their performers and therefore their fees for performing.

1. The headliner is EDM duo Galantis, and the special guests are EDM duo Young Bombs and hip-hop artist Dreezy.
- ii. J. Kim said that the Student Assembly no longer has as much money as they have in past years, and recommended that A. Toure speak with G. Kaufman at a later time.
- iii. G. Kaufman reiterated that the Student Assembly might not be able to provide as much support as it was formerly able.
- iv. A. Toure said that any amount that the Assembly is willing and able to give will be appreciated.
- v. V. Devatha asked A. Toure to repeat the names of the performers aside from Galantis.
- vi. A. Toure obliged.
- vii. V. Devatha recommended that SDPB request a larger increase in funding in future years.
- viii. A. Toure said that the money that goes to the performers is the only flexible money in the Slope Day budget, and that a \$10,000 increase will only go so far in this regard due to the fact that the SDPB must pay for multiple artists.
- ix. V. Devatha recommended that the SDPB request a much larger increase, such as from \$1 per student to \$10 per student, in future years.
- x. R. Herz voiced her support for the work that the SDPB does.

IX. Business of the Day II:

- a. Resolution 28: Puerto Rico Debt and Disclosure
 - i. Zachary Schmetterer said that he had a call with Baupost and requested clarifications regarding their investments. He said that the Puerto Rican debt holdings can neither be confirmed nor denied, and mentioned the need for further research.

- ii. C. Arcé said that he believes that Cornell's stance of political neutrality must be questioned, as well as its definition of moral reprehensibility, saying that Cornell cannot tell its student body what a student's moral compass is or isn't.
- iii. Z. Schmetterer mentioned his support for passing this resolution through the other governing bodies on campus, and that supporters must be able to make a strong and compelling case as to why Cornell's holdings are morally reprehensible.
- iv. R. Mukherjee emphasized that the matter at hand is a moral issue, and not a political issue.
- v. M. Valadez said that M. Kotlikoff and J. DeStefano did not provide any new information with their presentation, and that she believed that they expressed that the University will accept remaining complicit.
- vi. V. Devatha made a point of personal privilege, requesting that the discussion of Resolution 28 be kept to matters such as impact, considering that everyone in the Assembly seems to agree that the issue at hand is morally wrong.
- vii. C. Schott referenced his desire to pass this resolution through other bodies, and advised that proponents of the resolution try to find some common ground on this issue with the University administration, so as to make matters easier in the long run.
- viii. Z. Schmetterer said that the biggest piece of common ground that they have is that endowments nationwide have had trouble with investing in hedge funds such as Baupost, and that their current holdings are risky.
- ix. Joseph Anderson referenced his experiences with students affected by the crisis in Puerto Rico, and reiterated that this issue does affect people at Cornell.
- x. N. Hernandez voiced her support for the resolution, saying that the issue at hand is, on a basic level, about transparency.

- xi. D. Nyakaru asked what the passing of this resolution would do aside from sending a message to the administration since it will not be supported by the University. She also asked whether or not the sponsors of this resolution have any plans to work at making sure this effort goes forward.
- xii. R. Mukherjee said that there will be a presentation regarding this issue at the upcoming Ivy Council meeting, and that there will be discussions with students of other Ivy League colleges at this council in this regard.
- xiii. G. Kaufman stated his desire to press the issue of costs and benefits associated with this resolution, stating that if Cornell does choose to divest, then the funds lost might come out of the funding for financial aid, and said that it is up to the Student Assembly to deliberate what sorts of decisions should be made with the information they have.
- xiv. D. Barbaria reiterates that the Student Assembly is not making a political statement with this resolution, and asks about the sponsors' involvement with the GPSA.
- xv. Z. Schmetterer said that he will contact other boards following this meeting. He also motioned for an amendment to the resolution – **amended** unanimously.
 - 1. Lines 15-17 of Resolution 28 now read: “Whereas, in said letter, Hedge Clippers and its partner organizations outlined the adverse economic impacts of lobbying done on the behalf of Baupost and other fund managers to the economic wellbeing and recovery of Puerto Rico”.
- xvi. V. Devatha asked whether divestment would have any sort of impact, especially a negative impact, on the people of Puerto Rico.
- xvii. Z. Schmetter said that the amount divested would likely be between \$1 million and \$10 million, and that such an amount would likely not affect much in this regard.
- xviii. V. Devatha asked where the debt holdings would go if Cornell were to divest.

- xix. Z. Schmetterer said that the bonds would go to the open market, and mentioned that Cornell must take action with other organizations in order for any tangible effect to be made.
- xx. V. Devatha expressed his confusion regarding divestment, and asked how Cornell's divestment in this specific case would help Puerto Rico.
- xxi. C. Arcé said that divestment would be an opportunity to join voices trying to officially rule the process of bankruptcy that Puerto Rico is currently going through as unconstitutional.
- xxii. Shivani Parikh requested that the Assembly look into the Jubilee Debt Campaign, and said that the administration clearly values alumni relations over moral reprehensibility.
- xxiii. G. Park said that the Kalven Report was originally designed to advocate for students, and expressed her concern for low-income students and this resolution's potential tangible, negative impact on financial aid.
- xxiv. Z. Schmetterer said that Cornell tells its investors not to invest in derivatives due to the associated risks, and that it would be reasonable for it to also tell its investors not to invest in distress debt, since such investments can cause losses.
- xxv. Motion to vote – **passed** 22-0-2

X. New Business

- a. Motion to extend meeting time by twenty minutes – **failed** 9-13-1.
- b. Motion to extend meeting time by seven minutes – **passed**.
- c. Resolution 29: Community Sponsorship Access
 - i. O. Din said that this resolution defines how community members interact with the Student Assembly, and that this resolution allows community members to sponsor a Student Assembly resolution, something that they currently cannot do.

- ii. G. Kaufman expressed his support for the clause of the resolution that limits the numbers of sponsors on one resolution, but expressed his belief that the resolution's main objective is ridiculous. He asked why the Student Assembly would consider discussing a resolution that a community member would be unable to get a single Student Assembly member to sponsor, and supports striking that part of the resolution.
- iii. O. Din said that the Student Assembly would discuss such a resolution since they are a democratic body.
- iv. D. Nyakaru voiced her support for the resolution, saying that it adds transparency to the Assembly body.
- v. G. Kaufman said that putting unelected people on the agenda to take up time allows people to gum up the process of the Student Assembly. He motioned to table the resolution indefinitely – failed.
- vi. There was a motion to table the resolution – tabled.

XI. Adjournment

- a. J. Kim adjourned the meeting at 6:37 pm.

XII. Executive Session

Respectfully Submitted,

John Hannan

Clerk of the Assembly