

ASSOCIATED STUDENTS OF THE UNIVERSITY OF HAWAI‘I AT MĀNOA  
2465 Campus Road, Campus Center 211A  
Honolulu, HI 96822

**SENATE RESOLUTION 01-15**

**SUPPORTING NOT LIMITING INVESTMENTS IN LEGALLY TRADABLE STOCKS  
AND BONDS**

BE IT ENACTED BY THE UNDERGRADUATE SENATE:

*WHEREAS,* the Associated Students of the University of Hawai‘i at Mānoa (ASUH) is the elected body representing approximately 14,000 full-time classified undergraduate students; and

*WHEREAS,* ASUH has employed Merrill Lynch since 2000, as the investment consultant/financial advisor of the fund; and

*WHEREAS,* the current value of the fund is \$8,253,382.37; and

*WHEREAS,* “the investment of the ASUH Mānoa Stadium Stock Fund’s asset shall be for the exclusive purpose of providing benefits to ASUH” (BORP 8.207, III, E, 1, b); and

*WHEREAS,* “the overall fund should be managed in a well-diversified manner so that significant impairment of capital is avoided” (BORP 8.207, III, E, 1, c, 4); and

*WHEREAS,* “the specific responsibilities of the ASUH and the Board in the investment process include and are limited to developing sound and consistent investment policy objectives and guidelines, which the investment consultant/financial advisor can use in formulating corresponding investment decisions” (BORP 8.207, III, E, 2, a, 4); and

*WHEREAS,* “The ASUH Mānoa Stadium Stock Fund primarily seeks consistency of investment return through a growth and income objective with emphasis on total return” (BORP 8.207, III, E, 7, a, 1, a); and

*WHEREAS,* recently there have been efforts towards the divestment of investments in companies that produce fossil fuels; and

*WHEREAS,* restrictions like these can be very broad and end up limiting investments into legal companies that have direct and indirect exposure to fossil fuels or their manufacturing process; and

*WHEREAS,* the current ASUH budget is dependent on funds from ASUH fees, Stadium Stock dividends, and Telephone Commission; and

**APPROVED BY THE 102<sup>ND</sup> SENATE ON JANUARY 28, 2015**

*WHEREAS,* the \$5 ASUH fee generated \$115,665.00 for the 2014-2015 fiscal year or 22% of the ASUH Budget; and

*WHEREAS,* the ASUH Stadium Stock fund generated \$408,500.00 for the 2014-2015 fiscal year or 77 % of the ASUH Budget; and

*WHEREAS,* the current ASUH Budget is \$524,215.00 and includes the Administrative Account (\$119,500.00), the Senate Account (\$106,735.00), the University Programs, Services, and Support Account (\$232,605.00), the RIO Funding Account (\$65,000.00), and the Student Court Fund (\$375.00); and

*WHEREAS,* limiting flexibility in investments of any legally tradable stocks or bonds may negatively impact the total return and therefore, negatively impact the amount of funds available to ASUH annually to a greater extent than normal stock fund fluctuations; and

*WHEREAS,* any reductions in available funds to ASUH will negatively impact the ability to maintain or grow programs and services to students, such as RIO funding, scholarships, graduate test preparation, research awards and other programs and events funded through the University Programs, Services, and Support account; and

*WHEREAS,* the ASUH stadium stock fund returns have benefitted students throughout the generations and its original intentions and purpose was not for any individual senate to limit that ability with values and/or socially driven motivations; and

*WHEREAS,* the values and/or socially driven motivations of each senate change over time and it is not reasonable to reflect this in the portfolio with each changing senate; and

*BE IT RESOLVED,* that the 102<sup>nd</sup> ASUH senate supports not limiting investments in legally tradable stocks and bonds; and

*BE IT FURTHER RESOLVED,* in line with BORP 8.207, III, e, the 102<sup>nd</sup> ASUH senate supports continuing its current investment to ensure that the stadium stock portfolio has consistency of investment return through growth and income; and

***NOW, THEREFORE, LET IT BE FINALLY RESOLVED*** that this resolution be sent to the University of Hawai'i Board of Regents Chair Randy Moore and Members, President David Lassner, Vice President for Budget & Finance/ Chief Financial Officer Kalbert K. Young, the University of Hawai'i Foundation Directors, the University of Hawai'i at Mānoa Interim Chancellor Bley-Vroman, the University of Hawai'i Caucus Chair Sara Perry, the Associated Students of the University of Hawai'i at Mānoa President Stephen Nishihara.

**APPROVED BY THE 102<sup>ND</sup> SENATE ON JANUARY 28, 2015**

**ROLL CALL VOTE:**

**Aye(s):** Vice-President Zakimi, Secretary Belisario, Senators-at-Large Lee, Omokawa, Senators Borge, Bui Pham, Callihan, Coria, Dela Cruz, Kawagishi, Kamoshida, Mitsui, Nguyen, Oshiro, K. Samiano, M.Samiano, Schulz **[17]**

**Nay(s):** Treasurer Takara, Senators Candelario, Lawi-An, Shon, Tagaban, Wainwright **[6]**

**Abstain(s): [0]**

Introducers: Krista Ann Lee, Chairperson, Investments and Long Range Planning, Senator at Large; Sean Mitsui, Vice-Chairperson, Investments and Long Range Planning, Senator of the Colleges of Arts and Sciences