A Sustainable Endowments Institute Report

College Endowment Investment Trends & Best Practices

An Analysis of Sustainability Tracking, Assessment & Rating System™ (STARS) Data

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Executive Summary

Striving to advance sustainability, higher education institutions have mostly focused on instruction, student services, and campus operations. Now, scrutiny of sustainability is going beyond the classroom, the dining room, and the boiler room to examine the policies and programs of the boardroom.

Choices by the board of trustees about the transparency of the endowment, its investment priorities, and shareholder advocacy are all vital indicators of how deeply sustainability is integrated throughout the college culture. The off-campus ramifications of endowment investments should merit attention as expressions of a school's values and priorities—the type of future that the institution is supporting with its financial resources.

For institutions seeking to enhance the sustainability of their investment policies, what trends and best practices can help guide the process? A key resource is the Sustainability Tracking, Assessment & Rating System™ (STARS), which includes detailed sustainability criteria to evaluate investment policies and practices. Developed with a broad collaborative effort led by AASHE (The Association for the Advancement of Sustainability in Higher Education), STARS provides a transparent, self-reporting framework.[1]

STARS 1.x features six credits focusing on investment-related activities, and 178 institutions received points for at least one of the STARS investment credits.[2] These institutions represent 63 percent of all 283 schools that have a current STARS rating. They hold a cumulative $185 billion, representing nearly half of all higher education endowment assets (totaling more than $400 billion).

The schools taking part in STARS represent a motivated and self-selected sample endeavoring to implement sustainable practices. The Sustainable Endowments Institute (SEI) reviewed their reports in order to determine trends and investment best practices. As a result, SEI's evaluation provides a unique opportunity to inform the conversation about sustainable endowment investment in higher education.

Such third-party analysis of investment policies within STARS data seeks not only to highlight best practices and recent trends, but also to encourage more such efforts. To date, there has been little independent verification of self-reported data, as noted by the IRRC Institute and the Tellus Institute in their 2012 report, *Environmental, Social and Governance Investing by Colleges and Universities in the United States*. The present report

[1] The Association for the Advancement of Sustainability in Higher Education (AASHE), "STARS Overview." https://stars.aashe.org/pages/about/stars-overview.html.

[2] This report uses STARS 1.x as an inclusive abbreviation for STARS 1.0, STARS 1.1 and STARS 1.2.

attempts to address this essential need for analysis and verification of the data submitted to STARS.

SEI has briefed AASHE about the development of this research and has shared the report findings with them prior to publication. Although SEI and AASHE have collaborated on other projects, the two organizations have agreed not to formally partner on this project in order to avoid any potential conflict of interest or perception thereof. As a result, AASHE has not endorsed this report and was not involved with the research or analysis.

STARS Investment Credits: Best Practices

Committee on Socially Responsible Investment (SRI) or Investor Responsibility (PAE-16)

- The New School: Advisory Committee on Investor Responsibility
- Wesleyan University: Committee for Investor Responsibility

Shareholder Advocacy (PAE-17)

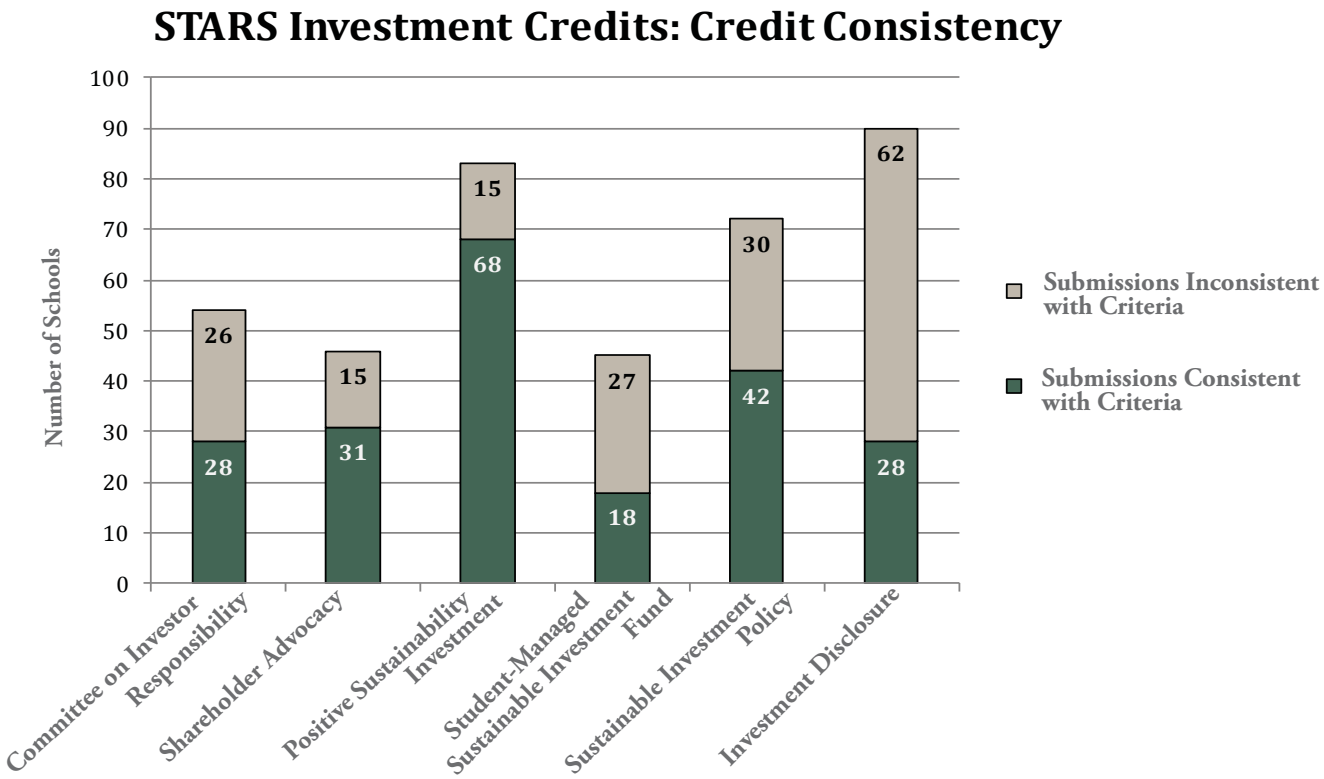
- University of Iowa: Letter Writing and Negative Screens
- Bard College: Filing a Shareholder Resolution

Positive Sustainability Investments (PAE-18)

- Okanagan College: Socially Responsible Mutual Fund
- Green Mountain College: Sustainable Investment Fund

Student-Managed SRI or Sustainable Investment Fund (PAE-T2-1/PAE-T2-7)

- University of Michigan: Student-Run Social Venture Fund
- Columbia University: Student-Run Microfinance Fund



Socially Responsible or Sustainable Investment Policy (PAE-T2-2/PAE-T2-8)

- Earlham College: Robust Guidelines for Socially Responsible Investment
- Unity College: Divestment from Fossil Fuels

Investment Disclosure (PAE-T2-3/PAE-T2-9)

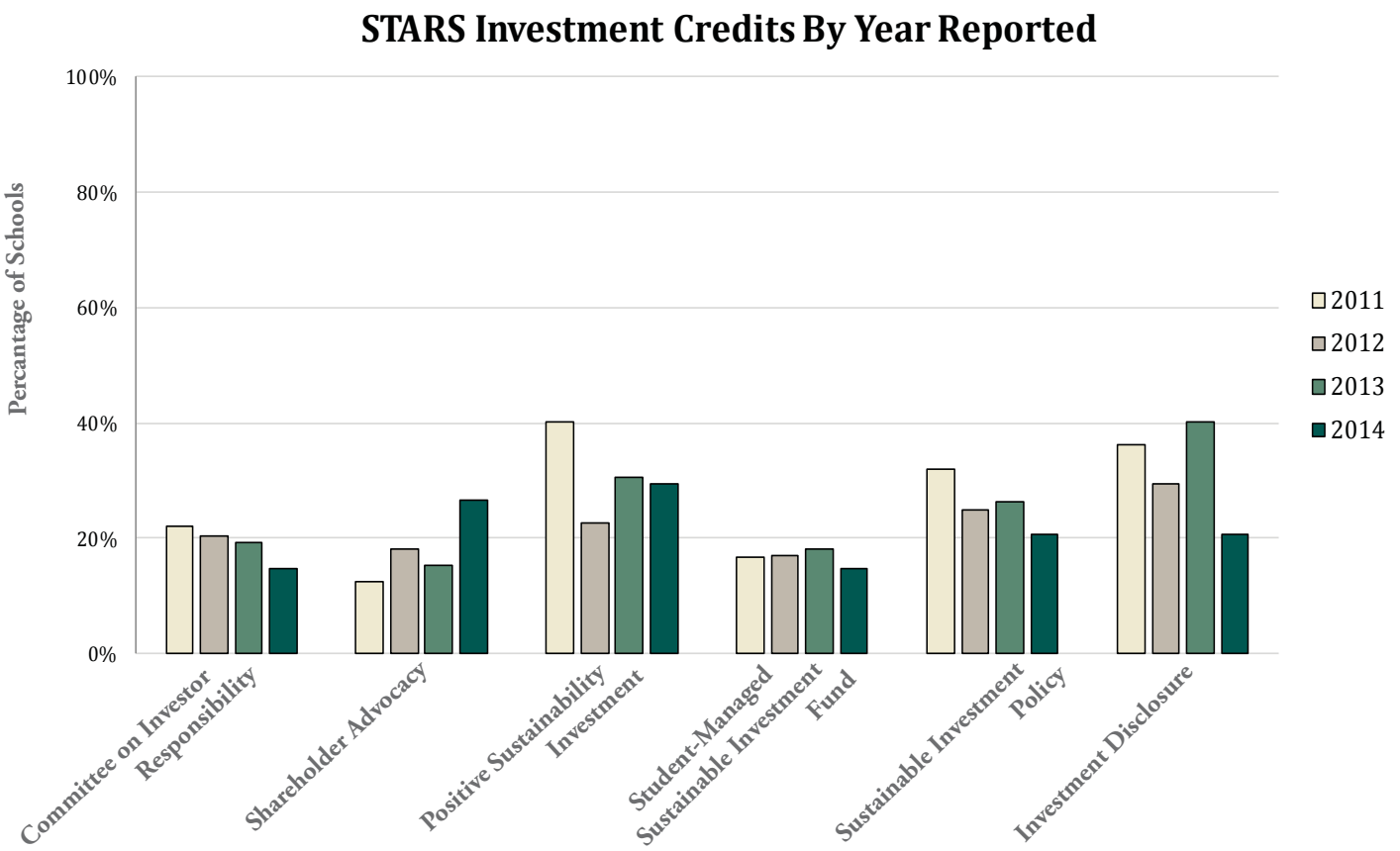
- University of Louisville: Detailed Snapshot of Investment Holdings
- University of Wisconsin System: Disclosure of Investment Holdings and Proxy Voting Records

For higher education institutions pursuing investment credits, submission inconsistencies have hindered comparisons of sustainable investing trends and discernment of best practices. Based on SEI's analysis, these inconsistencies did not arise from unclear credit requirements, but primarily from lack of adherence by institutions to explicit criteria. While STARS can help by further defining concepts and providing illustrative examples, our analysis suggests that STARS-reporting institutions need to ensure that their submissions are consistent with STARS credit criteria. Applications should be submitted only when an institution's achievements clearly comply with the credit rationale.

In addition to the widespread school submission inconsistencies with the investment credit criteria, there is an overall trend of limited participation in these STARS credits. In turn, this stems from the paucity of institutions committed to integrating sustainability criteria with their investment policies.

A year-by-year analysis of the percentage of schools earning each of the six STARS investment credits provides a useful perspective on trends. A brief visual overview is shown in following graph of STARS Investment Credits By Year Reported[3].

[3] Participation percentages based on STARS 1.x data.



As depicted in the graph, the percentage of schools earning investment credits since 2011 has, for the most part, evidenced no progress. In 2011, 26.6 percent of all available STARS investment credits were awarded.[4] This declined to only 21.1 percent in early 2014 (through February).[5] On a credit by credit basis, the following trends in participation were observed:

- **Committee on Investor Responsibility (PAE-16)**: The percentage of institutions pursuing this credit steadily declined from 22.2 percent in 2011 to 14.7 percent in 2014.
- **Shareholder Advocacy (PAE-17)**: This credit was the only one to notch growth between 2011 and 2014, increasing from 12.5 percent to 26.5 percent. However, it is unclear if this large increase can be sustained given the short duration of previous gains. For example, in 2012, 18.2 percent of schools earned this credit, but then the level declined to 15.3 percent in 2013.
- **Positive Sustainability Investments (PAE-18)**: In 2011, a notable 40.3 percent of schools earned this credit. Since then, the number of schools earning this credit has dropped by one-quarter to 29.4 percent in 2014.
- **Student-Managed SRI or Sustainable Investment Fund (PAE-T2-1/PAE-T2-7**: From 2011 through 2013, the percent of schools earning this credit remained relatively stable, varying between 16.7 and 18.1 percent. However, in 2014, the proportion of schools earning this credit diminished slightly to 14.7 percent.

[4] In 2011, 72 institutions received at least partial points for 115 of of the possible 432 credits available (72 schools X 6 credits).

[5] Through February 2014, 34 schools received at least partial points for 43 of the possible 204 credits available (34 schools X 6 credits).

- **Socially Responsible or Sustainable Investment Policy (PAE-T2-2/PAE-T2-8)**: The percentage of schools earning this credit has declined by more than one-third from 31.9 percent in 2011 to 20.6 percent in 2014.
- **Investment Disclosure (PAE-T2-3/ PAE-T2-9)**: The single largest percentage downward shift occurred in this credit, when the percent of schools dropped from an upward trending 40.3 percent in 2013 to 20.6 percent in 2014.

The overall trend toward fewer schools seeking the investment credits in STARS 1.x submissions may be reinforced by changes in STARS 2.0. By decreasing the weighting of investment credit points by more than one-third, from 5.6 percent of total available STARS points to only 3.5 percent, institutions may have less incentive to participate. Given the far-reaching impact of investment decisions, this report recommends that STARS restore the original weighting of investment credits (as used from 2010 to 2014 in STARS 1.0, 1.1, and 1.2).

Regardless of endowment size or total resources, potential leaders in higher education can distinguish their institutions by making investment practices more consistent with overall sustainability goals.

As noted by *The Economist*, college investment managers control "extremely patient" capital due to an investment horizon that lasts "forever."[6] This perspective is more conducive to gaining both environmental and financial benefits over time. Accordingly, schools can stand out in many ways, such as increasing investment transparency, holding themselves to better-defined sustainability standards, involving more stakeholders, engaging in more shareholder advocacy, and encouraging their peers to do the same.

[6] The Economist, "The ivory trade: What makes America's colleges such clever investors?" http://www.economist.com/node/8559799 (Jan 18, 2007)

Introduction

Facing a new focus on divestment advocacy along with the ongoing need for high returns, an increasing number of colleges and universities are examining their endowment investment policies. What relevant examples provided in the Sustainability Tracking, Assessment & Rating System™ (STARS) can serve as models?

To answer this timely query, *College Endowment Investment Trends and Best Practices* offers an innovative analysis of sustainability best practices and trends in endowment investment policies, as presented in STARS. The aim is to provide accessible information so that schools can learn from each other's experiences, thereby fostering more effective policies.

This work also builds on *Environmental, Social and Governance Investing by Colleges and Universities in the United States*, a 2012 report by the IRRC Institute and the Tellus Institute. This report explored the data from six socially responsible investing and sustainability reporting modules, including STARS. Recognizing the availability of different reporting mechanisms, the IRRC/Tellus report nevertheless found that, "there remains widespread lack of independent verification of self-reported data."[7]

In response, the current analysis by SEI seeks to address this essential need.

AASHE/STARS

The Association for the Advancement of Sustainability in Higher Education (AASHE) is dedicated to inspiring higher education "to lead the global sustainability transformation."[8] In order to facilitate an increased understanding of sustainability in all sectors of higher education and encourage continual improvement in sustainable campus practices, AASHE developed the Sustainability Tracking, Assessment & Rating System™ (STARS).

Launched in 2010, STARS 1.x is a self-reporting framework that enables colleges and universities in the United States and Canada to measure their own sustainability performance, learn from comparisons with other institutions, and track their own development as they make their practices more sustainable. STARS 1.x enables institutions to provide information on their sustainability activities across three categories:

- *Education & Research*
- *Operations*
- *Planning, Administration, & Engagement.*[9]

[7] IRRC Institute, Tellus Institute. *Environmental, Social and Governance Investing by College and University Endowments in the United States.* http://www.irrcinstitute.org/pdf/FINAL_IRRCi_ESG_Endowments_Study_July_2012.pdf (July 2012)

[8] AASHE, "AASHE Mission, Vision and Goals." http://www.aashe.org/about/aashe-mission-vision-goals

[9] AASHE, *STARS 2013, A Look Back and A Look Ahead.* http://www.aashe.org/files/documents/STARS/stars_2013_annual_review_final.pdf

Information submitted to STARS is made publicly available at https://stars.aashe.org/, the STARS website.

The *Planning, Administration, & Engagement (PAE)* category includes six credits that award points for investment-related actions. To determine trends in higher education investment practices, the Sustainable Endowments Institute (SEI) reviewed the reports of 178 institutions pursuing investment credits.

These institutions represent 63 percent of all 283 schools that were rated in STARS.[10] They hold a cumulative $185 billion, representing nearly half of all higher education endowment assets (totaling more than $400 billion).

Based on the information provided by STARS-rated institutions for these six investment credits, this report will highlight both best practices and general trends for each endowment investment-related credit.

STARS 1.x Investment Credits

STARS Investment Credits:

- Committee on Socially Responsible Investment (SRI) or Investor Responsibility (PAE-16)
- Shareholder Advocacy (PAE-17)
- Positive Sustainability Investments (PAE-18)

	Committee on Investor Responsibility	Shareholder Advocacy	Positive Sustainability Investments	Student-Managed Sustainable Investment Fund	Sustainable Investment Policy	Investment Disclosure
Total Number of Institutions Pursuing Credit	54	46	83	45	72	88
As a Percentage of All STARS Rated Institutions[11]	19%	16%	29%	16%	25%	31%

10 As of March 1, 2014 sustainability data was accessible for 283 colleges and universities, not including institutions designated as "reporters" (see Appendix: Methodology).

11 These ratios represent the number of institutions pursuing each credit out of the total number of institutions with publicly available data that were scored by STARS between November 1, 2010 and March 1, 2014 (283 schools).

- Student-Managed SRI or Sustainable Investment Fund (PAE-T2-1/PAE-T2-7)[12]
- Socially Responsible or Sustainable Investment Policy (PAE-T2-2/PAE-T2-8)
- Investment Disclosure (PAE-T2-3/PAE-T2-9)

By studying investment trends in higher education, SEI seeks to bring to light instances where innovative investment practices stand out from the crowd. This report will feature schools that go beyond the credit criteria offered within STARS.

This report will also offer insights into the types of inconsistencies found in STARS submissions that can convey an inaccurate picture. Since STARS data is not verified by a third party, some credit submissions have been awarded points when they are not consistent with the credit criteria, according to SEI's analysis.

While STARS has already had a profound impact on sustainability initiatives in higher education, third-party analysis of STARS data offers a significant opportunity to gain greater understanding of best practices and trends.[13] It is important to note that the best practices of institutions not participating in STARS are outside the scope of research for this report.

The schools taking part in STARS represent a motivated and self-selected sample seeking to advance sustainable practices. As a result, evaluation of their data provides a unique opportunity to inform the conversation about sustainable endowment investment in higher education.

The following six sections of this report will focus on each of the STARS investment credit categories and present credit description/scoring criteria and findings along with identifying inconsistencies and best practices.

[12] The number of the tier two credits in STARS (PAE-T2-1, PAE-T2-2,PAE-T2-3, PAE-T2-7, PAE-T2-8, PAE-T2-9) varies depending on the version of STARS (1.0, 1.1, 1.2). Although the numbers are different, the criteria for the responses functionally remain the same.

[13] "Eighty-three percent of participants report that STARS has instigated changes that have moved or will move their institutions toward being more sustainable." (https://stars.aashe.org/pages/about/why-participate.html)

Committee on Investor Responsibility (PAE-16)

Credit Description and Scoring Criteria

Credit PAE-16 recognizes institutions that have a "committee on socially responsible investment" for STARS 1.0 and 1.1 or a "committee on investor responsibility" for STARS 1.2.

According to the STARS 1.2 Technical Manual, this credit requires that reporting institutions:

- Have an active, multi-stakeholder group on campus that "makes recommendations to the Board of Trustees on socially and environmentally responsible investment opportunities across asset classes, including proxy voting."[14]
- Provide the charter or mission statement of the committee or a brief description of how it addresses social and environmental concerns.
- List the members of the committee and their affiliations.

Further inquiry was initiated with institutions that did not:

- Explicitly have the committee advise on responsible investment issues (e.g., groups that make general investment recommendations or recommendations regarding sustainability that are unrelated to the institution's investments).
- Include multi-stakeholder representation (i.e., including students, faculty, and staff) in their committee.
- Provide a list of committee members and their affiliations.

Findings

Fifty-four colleges and universities reported that they are pursuing this credit. This group accounts for approximately $96 billion in total endowment holdings. Of these 54 schools, 28 met the credit criteria after our analysis.

Proxy voting responsibilities were explicitly mentioned for twelve committees. Because many higher education institutions invest in companies indirectly through commingled funds, several institutions noted that they no longer have the ability to vote proxies. Twenty-one of 28 schools provided a link to a website with additional information about their committees.

[14] AASHE, "STARS Technical Manual." http://www.aashe.org/files/documents/STARS/stars_1.2_technical_manual.pdf (February 2012)

Best Practices

The New School: Advisory Committee on Investor Responsibility

The Advisory Committee on Investor Responsibility (ACIR) was established by The New School's Board of Trustees in 2009. The ACIR was charged with advising the Board on social, environmental, and corporate governance issues within the university's investments as well as voting proxy resolutions.

The ACIR is comprised of two staff members, two students, two faculty, and two trustees. In its first year, the committee developed sustainability proxy voting guidelines that have been formally adopted by the Board. They also co-organized a national conference on responsible investment in higher education.[15]

In 2012, The New School's ACIR submitted a letter to the Securities and Exchange Commission (SEC) to support a petition advocating implementation of an SEC rule requiring disclosure of corporate political spending.[16]

Most recently, the committee initiated a climate change campaign on campus including sponsoring a panel discussion to stimulate student engagement on fossil fuel divestment and a recommendation that The New School divest from fossil fuel companies.[17]

Wesleyan University: Committee for Investor Responsibility

Wesleyan's Committee for Investor Responsibility (CIR), founded in 2009, considers issues of moral and social responsibility in the university's investment practices. The CIR also engages in shareholder advocacy such as voting on proxy resolutions, filing shareholder resolutions, and corporate letter writing.

The CIR is comprised of 12 members: two faculty, two staff members, two alumni, five undergraduate students, and one representative from the investment office. Information about the CIR is made publicly available online and includes a copy of their charter and by-laws, a list of current members, their proxy voting guidelines, and information about current projects.[18]

In order to minimize the impact of their holdings on climate change, the CIR has filed a shareholder resolution with Rockwood Holdings, a specialty chemical and materials company. The committee has also established accounts with community banks and has advocated for greater transparency in the university's investments.[19]

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[15] The New School Advisory Committee on Investor Responsibility, *Aligning Our Investment Dollars with Our University Mission. Annual Report for the 2010-2011 academic year.*. http://www.newschool.edu/acir/annual-report.pdf

[16] The New School, Letter to SEC Supporting Corporate Political Spending Transparency. http://www.newschool.edu/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=96820&libID=96832 (October 8, 2012)

[17] The New School, *Advisory Committee on Investor Responsibility (ACIR) Putting Our Endowment Money Where Our Mission Is. Annual Report, 2012-2013.* http://www.newschool.edu/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=97466&libID=97478 Climate Change Action Plan.

[18] Wesleyan University, *CIR Charter and By-Laws*. http://cir.wsa.wesleyan.edu/page-2/. (February 2009)

Inconsistencies

Twenty-six of 54 institutions pursuing PAE-16 were found to be inconsistent with the credit criteria:

- Fifteen institutions reported on a general investment committee, rather than a committee that advises specifically on the socially responsible or sustainable impacts of investment decisions.
- Eight schools that received credit for having a committee on investor responsibility did not meet the requirement of multi-stakeholder representation. These groups were usually governed by senior level administrators, alumni, and/or businesspeople.
- Three schools submitted information about a committee that does not advise on endowment investment decisions. These included committees that only vote proxies or choose investment options within an institution's retirement plan.

Areas where issues arose included:

- One institution described a group that serves as an advisory council to the president and senior administrators. There was no indication that it advises on the social or environmental impacts of investment decisions, nor disclosure of the membership of the advisory council.
- One institution described a student group advocating divestment from fossil fuels as its committee on investor responsibility. This school also stated that a new committee that would address investor responsibility was forthcoming, but did not provide the affiliations of the members of the committee as they had not yet been determined.

[19] Wesleyan University, "Current Projects." http://cir.wsa.wesleyan.edu/current-projects/.

Shareholder Advocacy (PAE-17)

Credit Description and Scoring Criteria

Credit PAE-17 on shareholder advocacy requires that institutions participate in at least one of the following actions:

- Filing or co-filing a shareholder resolution that addresses sustainability, or
- Submitting a letter about social or environmental responsibility to a company in which it holds investments, or
- Conducting a negative screen of its entire investment pool within the last three years.

When reporting on any of these forms of shareholder advocacy, each institution must also provide a brief description of their effort and how it promotes sustainability.

SEI initiated further inquiry about shareholder advocacy with institutions that:

- Reported a shareholder advocacy letter addressed to a party other than the relevant company in which they are invested.
- Did not extend a negative screen to their entire investment pool.
- Conducted shareholder advocacy outside of the three-year timeframe.
- Provided a description that was unrelated to the credit.

Findings

There are 46 institutions that received points for this credit, and 31 that SEI found consistent with the credit criteria after analysis.

Institutions received 5.00 points if they responded "Yes" to any of the three shareholder engagement methods and provided a brief description of the nature of their advocacy. Out of the 46 institutions, 7 received points for filing or co-filing a shareholder resolution, 18 institutions received points for writing corporate letters, and 36 institutions received points for negatively screening their investments. A majority of schools that screen their investments reported negative screens on investments related to Sudan (27) and investments in tobacco (7).

The following table illustrates the number of institutions that reported on each form of shareholder advocacy and those that provided relevant and complete supporting information:

	File Shareholder Resolution	Corporate Letter Writing	Negative Screen
Schools Pursuing Credit	7	18	36
Schools Consistent with Credit	2	4	29
Percentage of Reporting Schools Consistent with Credit	29%	22%	81%

Best Practices

University of Iowa: Letter Writing and Negative Screens

The University of Iowa received points for corporate letter writing and negatively screening their investments. In accordance with state legislation passed in 2007 and 2011, the University of Iowa monitors their investments for companies that do business in industries involved in human rights abuses in Sudan and Iran.

This examination is performed on a quarterly basis as the list of offending companies is updated. The updated list is made public, and letters are then sent to each company to encourage them to refrain from objectionable business operations in order to avoid divestment.

Letters are also sent to fund managers encouraging them to remove listed companies from their funds.[20] Companies that remain on the list for longer than 90 days after the letter is sent are then divested and negatively screened from further investment by the endowment.[21]

Bard College: Filing a Shareholder Resolution

Bard College engages with the companies in which they invest through letter writing and proxy voting as well as filing shareholder resolutions on social and environmental issues. They have been active on a variety of issues including oil sands drilling,

[20] STARS, "University of Iowa PAE-17: Shareholder Advocacy." https://stars.aashe.org/institutions/university-of-iowa-ia/report/2013-08-08/PAE/investment/PAE-17/ (August 8, 2013)

[21] Iowa Code 12F, "Chapter 12F Restrictions on Sudan-Related Investments." http://coolice.legis.iowa.gov/cool-ice/default.asp?category=billinfo&service=iowacode&ga=83&input=12F

operations in Darfur, and pesticide practices. These decisions are managed by the Bard College Socially Responsible Investment Committee.

Bard filed a shareholder resolution on McDonald's pesticide practices, which led to the corporation's formal agreement to survey and promote best practices in pesticide use reduction within its American potato supply chain.[22] Bard continues to engage in dialogue on this issue.

Inconsistencies

Fifteen of 46 institutions pursuing PAE-17 were found to be inconsistent with the credit criteria:

- Eight institutions received credit for only writing letters to their own institution's president or investment officer or letters to their fund manager. However, this credit requires writing to the company in which they invest.
- Three institutions reported on negative investment screens that apply to a portion, and not the entirety, of their investment pool.
- Three schools did not provide a description of their shareholder advocacy and an explanation of how it supports sustainability or social responsibility.
- Two institutions reported information that fell outside of the three year time frame established by STARS.

Areas where issues arose included:

- One school affirmed that it had sent a letter about social or environmental responsibility to a company in which it invests. Then, it negated this assertion by stating that the school's own foundation had not conducted any shareholder advocacy (as defined by the credit) within the reporting period.
- Another institution did not substantiate its assertion that it had filed or co-filed one or more shareholder resolutions addressing sustainability over the last three years, yet submitted data for credit in the category. In providing the required description of its shareholder advocacy, the school discussed the total number of resolutions filed by other shareholders on a national scale and submitted its proxy voting policy.

[22] Investor Environmental Health Network, *Press release: Historic Shareholder Agreement Reached with McDonald's on Pesticide Use Reduction.* http://www.iehn.org/news.press.mcdonalds.php (March 31, 2009)

Positive Sustainability Investments (PAE-18)

Credit Description and Scoring Criteria

Credit PAE-18 on positive sustainability investments requires that institutions invest in at least one of the following:

- Sustainable industries
- Businesses selected for exemplary sustainability performance
- Sustainability investment funds
- Community development financial institutions
- Socially responsible mutual funds with positive screens.

Each institution pursuing PAE-18 must list the amount invested in each positive investment category and provide general information about the industries or fund types referenced.

Responses were designated for follow up if the institution:

- Omitted any description of the relevant investments.
- Provided a description contrary to the sustainable investment category (e.g., an investment in coal, oil, or natural gas).[23]

Findings

Eighty-three schools received points for pursuing this credit, ranging from 0.02 to 9.00 points. The score given for this credit is based on the percentage of positive investments as a proportion of the total investment pool, with a maximum of 9.00 points for institutions that invest at least 30 percent of the investment pool in any one, or any combination, of the possibilities listed above.

Our analysis determined that, of the 83 schools pursuing this credit, 68 schools provided complete responses consistent with the credit criteria. A necessary condition for meeting this criteria was to complete a brief description of the funds or companies in which the institution invests. General information was provided by 53 of the 68 institutions, for example, by making reference to investments in an unspecified sustainable forestry fund or solar company.

Fifteen of the 68 schools (including Chatham University, Macalester College, and the University

[23] According to the STARS Technical Manual, "positive investing supports socially and environmentally responsible practices and the development of sustainable products and services." In its "Energy" section, the Technical Manual states: "In addition to causing global climate change, energy generation from fossil fuels, especially coal, produces air pollutants such as sulfur dioxide, nitrogen oxides, mercury, dioxins, arsenic, cadmium and lead. These pollutants contribute to acid rain as well as health problems such as heart and respiratory diseases and cancer. Coal mining and oil and gas drilling can also damage environmentally and/or culturally significant ecosystems."

of Arizona) went a step further and listed the specific funds or companies in which they positively invest.

The following table depicts the breakdown across the five categories of positive sustainability investment for this credit, along with the amount invested in each category, based on the submissions of the 68 institutions found consistent with the credit criteria[24]:

	Sustainable Industries, such as Renewable Energy or Sustainable Forestry	Businesses Selected for Exemplary Sustainability Performance	Sustainability Investment Funds, such as a Renewable Energy Investment Fund	Community Development Financial Institutions (CDFIs)	Socially Responsible Mutual Funds with Positive Screens
Number of Institutions Reporting Investmemt	39	9	28	14	12
Total Amount Invested Across All 68 Institutions	$2,772,023,804	$176,155,456	$1,105,808,711	$400,111,063	$195,143,761

Best Practices

Okanagan College: Socially Responsible Mutual Fund

Okanagan College received the full 9.00 points for investing 30 percent of their investment pool in Phillips, Hager & North's Community Values Fund. This fund is positively screened for investments in community, corporate governance, employee relations, environment, human rights, and product safety.[25]

Green Mountain College: Sustainable Investment Fund

Green Mountain College has invested about 15 percent of their endowment in Portfolio 21, an environmentally screened global equity mutual fund, for which they received 4.50 out of 9.00 points for this STARS credit.[26]

[24] The number of institutions pursuing positive sustainability investments, and the amount invested in each investment category, is reported as of March 1, 2014

[25] STARS, "Okanagan College PAE-18: Positive Sustainability Investments." https://stars.aashe.org/institutions/okanagan-college-british-columbia/report/2011-07-19/PAE/investment/PAE-18/ (July 19, 2011)

[26] STARS, "Green Mountain College PAE-18: Positive Sustainability Investments." https://stars.aashe.org/institutions/green-mountain-college-vt/report/2011-07-29/PAE/investment/PAE-18/ (July 29, 2011)

Inconsistencies

Of the 83 submissions for credit PAE-18, 15 were found to be inconsistent with the credit criteria:

- Six institutions reported investments in industries such as coal and natural gas, which diverge from sustainable investment guidelines.
- Six institutions provided information that was unrelated to the investments listed, and thus did not offer a general description of the industries or fund types referenced in the submission.
- Three institutions did not provide any information to describe their investments.

Areas where issues arose included:

- One institution offered a description of investments in physical infrastructure on campus. Although laudable, these types of improvements are outside of the scope of the credit criteria.

Student-Managed SRI Fund (PAE-T2-1)/ Student-Managed Sustainable Investment Fund (PAE-T2-7)

Credit Description and Scoring Criteria

Credit PAE-T2-1 on student-managed SRI funds for STARS 1.0 and 1.1, and sustainable investment funds for STARS 1.2 (PAE-T2-7), recognizes institutions that have a student-managed sustainable investment fund. Students can develop socially and environmentally responsible investment skills by participating in the management of such funds. Schools are instructed to submit a brief description of their fund.

SEI followed up with institutions that submitted information about:

- One-time allocations granted to students for sustainable projects on campus. Such grants are not structured as investments, which require tracking performance and returning capital to the fund.
- Funds with mission statements that did not include explicit social and environmental investing practices.
- Investment funds that were not managed by students.

Findings

Forty-five institutions were awarded points (0.25) for pursuing PAE-T2-1/PAE-T2-7. After our assessment of the data, SEI determined that 18 schools met the STARS criteria for the credit.

Of these 18 institutions, six schools have a student-managed investment fund through which students are able to invest in certain companies and funds according to specific SRI or sustainable investment guidelines and criteria.

Seven schools feature student-run microfinance funds that offer opportunities in lending and tracking investments in small business projects and thereby help students gain experience with socially responsible microfinance investment. Six of the seven microfinance projects targeted investments in other countries.

For five schools, SRI experience was offered to students through investing in green revolving funds (GRFs) to finance on-campus energy- and resource-efficiency projects. GRFs require tracking of each project's return on investment to ensure that project savings replenish the fund for future investment opportunities. Schools that offer students opportunities to participate in sustainable

investing practices through campus-based GRFs include Bellevue College, Dickinson College, Georgia Institute of Technology, Oregon State University, and the University of Arizona.

Best Practices

University of Michigan: Student-Run Social Venture Fund

The University of Michigan provides experience in investment and governance through its Social Venture Fund (SVF). The SVF is an impact investment fund that was started by MBA students in 2009. According to the University, this was the first student-run social venture fund in the United States.

The fund invests in businesses that have social and sustainability goals at the core of their business model. Divided into four portfolios—education, food & environment, health, and urban revitalization—the SVF allows students to blend diverse social and financial investing outcomes into their studies.[27]

Columbia University: Student-Run Microfinance Fund

At Columbia University, a student-founded nonprofit organization run by Columbia business students makes loans to small microfinance organizations in developing countries.

The Microlumbia Fund allows students to gain experience with socially responsible investing in the form of microfinance. They help locally-based microfinance organizations overseas to empower community members to start sustainable enterprises.

In 2012, Microlumbia completed a $20,000 debt investment in a microfinance institution in Polynesia which provides women in poor rural villages with the means to start income-generating micro-businesses.[28]

Inconsistencies

Forty-five schools received points for PAE-T2-1/ PAE-T2-7; however, 27 were identified as not clearly meeting the STARS criteria:

- Fourteen schools have student-managed investment funds not dedicated to socially responsible or sustainable investment.
- Twelve reporting schools did not have student-managed SRI or sustainable investment funds. The majority of these responses referred only to student-managed "green funds," usually supported by infusions of capital each semester from student fees for sustainability-related projects on campus. Sustainability funds—other than green revolving funds—were not counted as providing sustainable investment experience. The reason is that non-revolving funds do not track return on investment nor use project savings to replenish the fund for future investment. However, to date, AASHE has accepted "green funds" with no investment component as valid.
- One institution described an investment fund that was not student-run.

[27] Social Venture Fund, "About SVF." http://www.umsocialventure.com/about/

[28] Microlumbia Fund, "Debt Investment in SPBD Tonga." http://microlumbia.org/?page_id=560

Areas where issues arose included:

- Two institutions stated in their description of the student-managed SRI fund that socially responsible investment was not the purpose of the fund.
- One institution reported on a committee for socially responsible investment that is not run by students, but instead allows students to review shareholder resolutions and make proxy voting recommendations. This committee also manages a portfolio that includes investment in ExxonMobil and Chevron.

Socially Responsible Investment Policy (PAE-T2-2) / Sustainable Investment Policy (PAE-T2-8)

Credit Description and Scoring Criteria

Credit PAE-T2-2 on socially responsible investment policies for STARS 1.0 and 1.1, and sustainable investment policies for STARS 1.2 (PAE-T2-8), recognizes institutions that "have a policy, practice or directive to consider the social and/or environmental impacts of investment decisions, in addition to financial considerations."[29] In their submission, institutions must provide a brief description of their sustainable investment policy.

SEI initiated further inquiry with institutions that:

- Did not provide a copy of their policy (within STARS) or a link to a website where the policy could be found.
- Presented only a general investment policy or a vague statement about social responsibility or sustainability that lacked guidelines for evaluating investment decisions.
- Provided a policy that did not apply to the investment pool as defined in the STARS Technical Manual (i.e., the policy was for the employee pension fund, rather than for the endowment).[30]

Findings

Seventy-two schools received 0.25 points for pursuing this credit. After analysis, SEI determined that 42 of these schools met the STARS criteria associated with the credit. However, there were various types of responses submitted by institutions, attesting to different interpretations of this credit. Also, many of the policies submitted by these 42 institutions lacked both specific criteria for evaluating investments according to socially responsible or sustainable guidelines and directives for specific actions to be taken in light of such evaluations.

SEI found that 14 of the 42 schools offered a definition of "socially responsible investing" which is used to guide their investment decisions. Six of these definitions affirmed the principles of religiously-based institutions as guidelines

[29] STARS Technical Manual. http://www.aashe.org/files/documents/STARS/stars_1.2_technical_manual.pdf

[30] The STARS Technical Manual adopts the definition of an institution's "investment pool" that is used by the National Association of College and University Business Officers (NACUBO): "The predominant asset pool or grouping of assets that is organized primarily to support the institution and reflect its investment policies."

for investing the endowment, while three others asserted the importance of secular institutional values which, if violated, would warrant the exclusion of the objectionable business from the endowment portfolio. Five institutions stated that they follow other guidelines, such as a concern for human rights or the practices outlined in the United Nations' Principles for Responsible Investment.

Eleven institutions provided policies that were unclear, reporting that broad terms such as "ethical" or "environmental, social, and governance" considerations, given without definition, are used to evaluate investments.

Nine schools currently applied at least one specific exclusionary screen to their endowment. These submissions mainly highlighted the schools' established investment screens rather than the principles behind them. Seven of these institutions applied negative screens to tobacco companies, six applied a screen to businesses operating in Sudan, one applied a screen to alcohol businesses, and two excluded investments in fossil fuel companies.

There were six institutions that provided a process for determining whether investments were considered socially responsible or sustainable. These processes typically included research into companies' socially responsible and/or sustainable business practices—or the absence thereof. Campus stakeholders, responsible investment committees, or outside firms usually conducted the research and then relayed their findings to decision-making bodies that would determine an appropriate response, such as positive and negative screening or divestment.

Two institutions described a sustainable investment policy that applied a positive approach by requiring a portion of the endowment to be invested in a sustainable investment fund.

Best Practices

Earlham College: Robust Guidelines for Socially Responsible Investment

In recognition of it being shaped by perspectives of the Religious Society of Friends (Quakers), Earlham College has a detailed and robust policy on socially responsible investment to guide investment decisions.

The policy excludes investments in companies whose earnings or sales derive primarily from instruments of war, alcohol, tobacco, gambling, or institutions that irresponsibly use the environment or denigrate the dignity of human beings. When investing in commingled funds, Earlham seeks investment managers that adhere to SRI guidelines that most closely approximate its own policy.

Earlham's policy presents a unique commitment to socially responsible investing by explicitly noting that excluding investments that conflict with its values may "produce a less-favorable return but provide a greater assurance of other positive benefits in support of Earlham's values." Whereas SRI policies typically assert the predominance of maximizing investment returns, Earlham's policy places this responsibility alongside the preservation of its institutional character: "Investment choices are not made in a vacuum without consideration of the impact that the investments may have, both positive and negative, for Earlham and its mission within the world. Investment choices must be made

with an awareness of both considerations (i.e., maximum return and reflection of values/interests) in an effort to maximize the benefits of both for the long-term integrity of the institution."[31]

Unity College: Divestment from Fossil Fuels

Unity College's Board of Trustees and Financial Affairs Committee have a policy of reviewing the impact that their endowment investments have on sustainability. As a result, on November 5, 2012, the Board unanimously voted to divest the endowment from fossil fuel companies and continue to screen out these investments. While STARS-rated institutions that practice screening or divestment typically exhibit a consensus about excluding investments in tobacco or Sudan, this was a unique example of an institution within STARS excluding fossil fuels. Unity's President, Stephen Mulkey, explained that this decision was meant to pressure fossil fuel companies to end their efforts to forestall action on climate change.

"Like the colleges and universities of the 1980s that disinvested from apartheid South African interests—and successfully pressured the South African government to dismantle the apartheid system—we must be willing to exclude fossil fuels from our investment portfolios."[32]

Inconsistencies

Of the 72 institutions that pursued this credit, 30 did not clearly meet the STARS criteria. Inconsistencies in socially responsible or sustainable investment policies for credit PAE-T2-2/PAE-T2-8 became evident in the following cases:

- Seventeen schools did not report an investment policy that pertained to socially responsible or sustainable investing. Instead, several of these schools reported an intention to create such a policy or described the process by which this policy might be developed in the future.
- Eight schools described discussions on shareholder engagement strategies, rather than a policy of evaluating investments in order to decide on screening or divestment.
- Five institutions provided investment policies pertaining to employee pension funds or student-managed funds, rather than to the institution's own endowment investments.

Areas where issues arose included:

- One institution submitted statements about the commitment to socially responsible investing exhibited by a separate endowment run by students.
- One school reported that it offers an option for donors to give to a socially responsible fund.
- One school suggested that the exploration and development of resources like oil and natural gas offered opportunities for socially responsible investing.

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[31] Earlham College, Socially Responsible Endowment Investments Policy for Earlham College and the Earlham Foundation. https://www.earlham.edu/policies-and-handbooks/general/socially-responsible-endowment-investments-policy/

[32] Unity College, Unity Focus: President Stephen Mulkey Announces Unity College's Fossil Fuel Divestment. http://www.unity.edu/unity-focus/president-stephen-mulkey-announces-unity-college-s-fossil-fuel-divestment (November 11, 2012)

Investment Disclosure (PAE-T2-3) / Investment Disclosure (PAE-T2-9)

Credit Description and Scoring Criteria

Credit PAE-T2-3 in STARS 1.0 and 1.1 or PAE-T2-9 in STARS 1.2 on investment disclosure recognizes those institutions that "make a snapshot of their investment holdings, including the amount invested in each fund and/or company and proxy voting records, available to the public."[33] A brief description of the institution's investment disclosure practices must be provided.

Though the credit requires institutions to present both investment holdings (with corresponding investment amounts) and proxy voting records, SEI found only five institutions that simultaneously offered both of these pieces of information to the public. While this finding may relate to the diminished ability of colleges and universities to vote proxies due to increasing investment in commingled funds, most submissions did not make any reference to their ability to provide proxy voting records. In light of this finding, SEI evaluated each institution's response to determine whether at least one of the two categories was fulfilled.

[33] STARS Technical Manual. http://www.aashe.org/files/documents/STARS/stars_1.2_technical_manual.pdf

SEI identified institutions for follow up that did not provide:

- Investment information accessible online (but instead invited a disclosure request).
- Publicly-available snapshots of their specific investments (with the corresponding amount invested).
- Publicly-disclosed proxy voting records.

Findings

Eighty-eight institutions received 0.25 points for pursuing PAE-T2-3/PAE-T2-9, more than any of the other five credits. After our assessment, 26 of these institutions met the STARS' criteria for disclosure of endowment investments or disclosure of proxy voting records. Five institutions offered both pieces of information, nineteen just offered a list of their investment holdings, and two just offered proxy voting records. Of these 26 schools, 22 provided a list of their investment holdings or their proxy voting records on their website (without requiring a disclosure request).

Four of the 26 schools reported to STARS that they would disclose investment holdings upon request and, in response to our inquiry, directed SEI to this information. It is important to note that while some institutions make their investment information available to the public online, others do not. Of these four schools, three confirmed that investment

information can be accessed by the public, but only on campus. An inquiry was sent to each school that invited a disclosure request, and all inquiries gave these institutions at least four weeks to respond.

Six schools that disclosed their investment holdings provided this information under the open record or "sunshine laws." These laws give the public access to meetings and records of the governing bodies of public institutions within many states.

Best Practices

University of Louisville: Detailed Snapshot of Investment Holdings

The University of Louisville disclosed a detailed list of its endowment investments on its sustainability website, where it is visible and easily accessible to the public. The holdings, listed in spreadsheets and arranged by fund manager, present the companies that are held by each investment firm. The exposure of the University of Louisville's foundation to each company is provided, illustrating the amount invested in each holding.[34]

University of Wisconsin System: Disclosure of Investment Holdings and Proxy Voting Records

Three institutions that belong to the University of Wisconsin System—UW Milwaukee, UW River Falls, and UW Stevens Point—were the only ones to disclose both their investment holdings[35] and their proxy voting records online.[36] This information was made available for the endowment funds pooled in the UW System's Trust Funds, which acts as the System's investment office and holds approximately $500 million in assets. It is important to note that this same transparency does not extend to the individual foundations of these three institutions, for which similar investment information is not available.

Inconsistencies

Sixty-two schools out of 88 that pursued this credit did not provide either a snapshot of their investment holdings or their proxy voting records. Instead, institutions reporting on credit PAE-T2-3/PAE-T2-9 tended to report on financial performance and asset allocation.

- Thirteen schools disclosed their asset allocation instead of providing full investment disclosure as required by the credit criteria.
- Ten schools offered an audited financial statement.
- Six institutions did not offer any investment information or stated that such information was unavailable or proprietary.
- Four institutions only provided unrelated information such as investment returns or investment managers.
- Three institutions admitted that they no longer qualify for this credit.
- Two institutions offered information for non-endowment asset pools.

34 University of Louisville, "Investments." http://louisville.edu/sustainability/finance-outreach/investments.html (February 6, 2014)

35 University of Wisconsin System, "Trust Funds: Investments and Reports." http://www.wisconsin.edu/tfunds/inv.htm

36 University of Wisconsin System, "UW Trust Funds." http://www.wisconsin.edu/tfunds/ProxyVotingList2013.pdf

Twenty-eight schools reported that their investment information could be obtained by inquiry. Four of these schools responded with clarifying information as referenced above, leaving 24 submissions inconsistent. For some of these schools, SEI did not receive a response after requesting information. For other schools, the response SEI received contained data that did not fulfill the credit criteria. Under both circumstances, the cases were left as unresolved and were not counted as consistent with the credit criteria.[37]

- Ten institutions that invited a disclosure request responded by declining to participate or stating that they would not provide further information. These schools were assessed as not being consistent with the credit criteria.
- Seven institutions responded with information that did not clarify or supplement their submission, which remained inconsistent with the credit criteria.
- Five institutions did not respond to our inquiry after stating that investment information was available on request.
- Two institutions responded by acknowledging that they do not qualify for this credit.
- In addition, seven of the 24 institutions stated that they would provide investment information upon request in accordance with state open records or "sunshine" laws. However, none of these seven institutions provided this information.

Areas where issues arose included:

- Within the space provided to describe investment disclosure practices, one institution instead discussed the annual financial report offered by its state's pension fund.
- One institution submitted information about a natural gas company that had recently announced that it would publicly disclose its policies for minimizing the use of toxic substances in its hydraulic fracturing fluids.

[37] For the full methodology, refer to page 36.

Conclusions and Recommendations

Of the 178 schools that received STARS 1.x investment credits, SEI identified 64 that clearly fulfilled all requirements for the credits they chose to pursue and 114 with incomplete or inconsistent data for one or more credits.

The following table summarizes the number of schools pursuing (and receiving) points for each investment credit within STARS, the number and percentage of schools that SEI found to be consistent with each credit's requirements, and the number of schools with remaining inconsistencies.

	Committee on Investor Responsibility	Shareholder Advocacy	Positive Sustainability Investments	Student-Managed Sustainable Investment Fund	Sustainable Investment Policy	Investment Disclosure
Schools Pursuing Credit	54	46	83	45	72	88
Schools with Credit Inconsistencies[38]	26	15	15	27	30	61
Schools Consistent with Credit	28	31	68	18	42	27
Percentage of Schools Consistent with Credit	52%	67%	82%	40%	58%	31%

[38] Defined as institutions with outstanding data discrepancies that were not resolved during our inquiry and that remain inconsistent with credit criteria.

The Sustainable Endowments Institute's review of STARS data found best practices from schools across the United States and Canada with robust endowment sustainability policies and programs. These examples can serve as models for other institutions to adapt as appropriate for their own situations.

SEI's analysis also revealed discrepancies arising primarily from institutional submissions that did not adhere to the credit requirements explicitly outlined in STARS. The divergences identified did not typically result from a lack of clear guidelines for each credit.

STARS 2.0 Comparison Analysis

In August 2014, SEI analyzed data from the 18 colleges and universities that received points for at least one of the investment credits and that have submitted both a STARS 1.x and STARS 2.0 report.[36] Due to the recent release of STARS 2.0, the sample size is extremely limited. The analysis of this small group shows no significant change in the proportion of inconsistencies across the STARS investment credits since the new process was instituted. Highlights from this comparison include:

- For **Committee on Investor Responsibility** credit (formerly PAE-16 and now PA-13), there were eight schools in our analysis that received points for this credit under both STARS 1.x and STARS 2.0. Of the eight, in STARS 1.x six were evaluated to be consistent and two were deemed inconsistent. In STARS 2.0, five were determined to be consistent and three inconsistent.
- For **Shareholder Advocacy** (formerly PAE-17 and now a part of PA-14), there were seven schools that received points within STARS 1.x, with four determined to be consistent and three inconsistent. In STARS 2.0, of the four that pursued this sub-section of PA-14, three schools were evaluated to be consistent. Additionally, one school received this credit, but did not provide the percent of endowment covered, which is now required in STARS 2.0.
- For **Positive Sustainability Investments** (formerly PAE-18 and now part of PA-14), there were seven schools that received points within STARS 1.x and four were determined to be consistent, while three were inconsistent. In STARS 2.0, four pursued this sub-section of PA-14, and three were evaluated to be consistent. Additionally, one school received this credit but did not provide the percent of endowment covered, which is now required in STARS 2.0.
- For **Sustainable Investment Policy** (formerly PAE-T2-2 and now part of PA-14), there were seven schools that received points within STARS 1.x and three were determined to be consistent while four were inconsistent. In STARS 2.0, five schools pursued this sub-section of PA-14 and four were evaluated to be consistent and one inconsistent.
- For **Investment Disclosure** (formerly PAE-T2-3 and now PA-15), there were eight schools that received points for this credit under both STARS 1.x and STARS 2.0. In STARS 1.x, four were evaluated to be consistent and four were deemed inconsistent. In STARS 2.0, two were determined to be consistent and

four inconsistent. Additionally, one school disclosed only proxy voting records and one school did not make its investment disclosure available online per the new STARS 2.0 credit requirements.

Submission inconsistencies make it more difficult to discern best practices and guidelines for improvement. Judging from the data submitted to STARS, there seem to be only a limited number of best practices within the realm of sustainable investment in higher education.

Our analysis provides support for the findings of the IRRC and Tellus Institutes' report, recognizing a strong need for independent verification of self-reported data amongst institutions that utilize sustainability tracking frameworks such as STARS. Looking to the future, clear reporting will be vital to advancing policies and practices at institutions participating in STARS, as well as those seeking to learn from STARS reports.

To facilitate this process, SEI has developed credit-by-credit recommendations for institutions to avoid the inconsistencies most commonly found within STARS submissions.

Recommendations for Reporting Institutions

How can institutions improve their reporting for each investment credit? SEI's analysis of hundreds of previous credit submissions provides insights to encourage clarification of current STARS data and help guide future reporting.[39]

Committee on Socially Responsible Investment (SRI) or Investor Responsibility (PAE-16): To adhere to this credit's criteria, institutions should include multi-stakeholder representation in practice and report it in their STARS submission. The need for student, faculty, and staff membership within the institution's committee on investor responsibility was the most common oversight in meeting the STARS requirements. Another point of emphasis is that this committee must have socially and environmentally responsible investing as an explicit part of its mission. Submissions regarding general investment committees were also a typical cause of inconsistency.

Shareholder Advocacy (PAE-17): When institutions send letters about social and environmental responsibility, the shareholder advocacy credit requires that the letter be sent to a company in which they invest. Sending letters to other entities was the most frequent reason for inconsistency with this credit criteria. In addition, institutions reporting on shareholder advocacy should comply with all basic requirements of the credit, including the three-year timeframe and providing a brief description of their shareholder advocacy efforts.

Positive Sustainability Investments (PAE-18): The primary way to improve consistency on this credit's criteria is to provide a brief description elaborating on the types of sustainability investments made by the institution. Institutions should be aware that extractive industries, such as fossil fuels, are not sustainable and thus should not be considered eligible for this credit.

[39] The Sustainability Tracking, Assessment, & Rating System, "Correcting Mistakes." https://stars.aashe.org/pages/participate/correcting-mistakes.html

Student-Managed SRI or Sustainable Investment Fund (PAE-T2-1/PAE-T2-7): The focus on SRI or sustainable investment must be at the core of a student-managed fund. Many institutions were found to be inconsistent with the credit criteria when they submitted information only about a student-managed general investment fund. It was also common for institutions to report on green funds. Sustainability funds—other than green revolving funds—were not counted by SEI as providing students with sustainable investment experience. The reason is that non-revolving funds do not track return on investment or use project savings to replenish the fund for future investment. However, to date, AASHE has accepted green funds with no investment component as valid.

Socially Responsible or Sustainable Investment Policy (PAE-T2-2/PAE-T2-8): Schools pursuing this credit should already have a formal policy in place. Institutions that did not adhere to the credit criteria typically did not have an existing socially responsible or sustainable investment policy, although such a policy might have been in the planning stage. The brief description of the policy needs to apply social and environmental considerations to investment decisions. Institutions should strive to provide descriptions illustrating the process by which social and environmental criteria affect how the endowment is invested.

Investment Disclosure (PAE-T2-3/PAE-T2-9): To receive points for investment disclosure within STARS, the credit requires that institutions provide a snapshot of their investments with the corresponding amount invested in each holding. Most inconsistencies were derived from schools that presented their endowment's asset allocation or a recent audit, neither of which offer information about specific investments and the amounts invested in each. Institutions are also required to provide their proxy voting records in addition to their investment holdings. Schools pursuing this STARS credit should ensure that an endowment snapshot with specific investment amounts and proxy voting records are both provided.

Recommendations for STARS

The intensive and extensive collaborative process undertaken to develop STARS created a thoughtful and thorough framework for institutional self-evaluation. The sustained efforts of institutions using STARS to track their development will continue to provide useful feedback and guide further refinements.

Indeed, SEI's analysis of the broad range of responses offers an opportunity to facilitate this process. Our specific recommendations for the STARS program suggest potential ways to increase effectiveness by focusing on submission verification, further specifying credit instructions, and restoring the original weighting of investment credits within the overall STARS framework.[40]

Verification of Submissions: Based on our review of STARS data, SEI determined that consistency with credit criteria would likely improve if submissions were routinely verified. According to

[40] While this report focuses on the investment credits outlined in STARS versions 1.0, 1.1, and 1.2, the format for these credits has been somewhat revised in STARS 2.0. There are three investment credits. Two of the previous investment credits were directly carried over, three have been reconstituted under a single credit, and one now falls under a different credit category. Since the content of all six investment credits has made the transition to STARS 2.0, our recommendations also apply to this new version.

our analysis, there were two investment credits for which less than 50 percent of submissions were consistent with the criteria. Consistency across all six credits ranged from 30 to 82 percent. Because these discrepancies appear to stem primarily from submissions inconsistent with the criteria rather than unclear credit requirements, instituting a regular verification process could help ensure greater adherence to the credit criteria.

In STARS 2.0, the Data Accuracy Policy has been updated to incorporate greater scrutiny of institutions' submissions. AASHE staff now review over 20 credits in all STARS 2.0 submissions, including one of the revised Investment credits, for adherence to credit criteria. They also conduct periodic audits of data submitted by all institutions. Upon finding any inconsistencies, AASHE staff follow up with the institution in question to resolve the issue.[41] This mechanism should continue to be evaluated to determine whether more comprehensive verification procedures should be incorporated as the STARS program continues to be enhanced.

Positive Sustainability Investment Credit: According to the rationale described in the STARS 1.2 Technical Manual, the credit on positive sustainability investments (PAE-18) is meant to recognize institutions that "seek positive investments that promote sustainability." This credit awards points based upon both the institution's total amount invested and affirmation by the school's Responsible Party that the information submitted is valid. However, the Responsible Party is not asked to attest to the intent of the institution in making these investments.

SEI found several instances where sustainability investments were identified retroactively by comparing endowment investments against an index of sustainable companies, raising questions as to whether these sustainable investments were sought out, or simply happened to be part of the portfolio at the time of submission.

If intent is an important part of earning points for making a positive sustainability investment, then greater emphasis on making a conscious decision to invest sustainably may lead to more submissions in line with the spirit of the credit.

STARS 2.0 makes important strides in explaining this key distinction. Additional language has been added to the credit on sustainable investment (PA-14) emphasizing that investments must have been selected at least in part for their exemplary sustainability performance. According to the STARS 2.0 Technical Manual, existing stock in such a company "should not be listed unless the investment decision was based, at least in part, on its sustainability performance."

Sustainable Investment Policy Credit: Our analysis revealed that many different types of responses were provided for the credit on sustainable investment policy (PAE-T2-2/ PAE-T2-8), attesting to varying interpretations of what constitutes such a policy. Accordingly, SEI recommends that STARS provide a sample policy or note best practice examples from select

[41] STARS, "2013 Annual Review, A Look Back and a Look Ahead." http://www.aashe.org/files/documents/STARS/stars_2013_annual_review_final.pdf

institutions to offer clarification for institutions pursuing this credit.

Investment Disclosure Credit: SEI found that only five of the institutions pursuing the credit on investment disclosure (PAE-T2-3/PAE-T2-9) complied with both of its major aspects: 1) a snapshot of the institution's holdings (including the amount invested in each) and 2) the institution's proxy voting records. Since the vast majority of institutions submitted information related to their finances, it appears that the aspect of the credit requiring the disclosure of proxy voting records was not typically recognized. SEI recommends that STARS emphasize both aspects of disclosure required by the credit, so that institutions will be less likely to provide just one of the two requisites.

Sustainable Investment Guidelines: While different individuals and organizations may hold diverse views about what is "sustainable," and thus what investments deserve this distinction, our analysis identified several submissions that did not fall within general guidelines for sustainable investment.

STARS 2.0 does help to make the concept more explicit by adding new language to the Sustainable Investment credit.[42] Another added indicator concerns fossil fuel companies, which this report does not count as sustainable investments. The "standards and terms" section of the STARS 2.0 Technical Manual includes fossil fuel companies among examples of sectors that an investor may choose to negatively screen.[43] Institutions can thereby infer that any sector designated for a negative screen does not fall within the parameters of sustainable investment.

Because the criteria for sustainable investment impact institutions reporting on all STARS' investment credits, SEI recommends that STARS take additional measures to identify key guidelines for what constitutes sustainable investment. Such clarification would assist schools in achieving greater alignment with sustainable investment principles and advance a more equitable framework for evaluation and comparison.

Changes to Investment Credits in STARS 2.0: Many credits were revised with the release of STARS 2.0, including changes to the format and weighting of the investment credits. These changes may negatively impact the likelihood of an institution's pursuing these credits. Three credits from STARS 1.x—Shareholder Advocacy, Positive Sustainability Investment, and Sustainable Investment Policy—have been combined into a single investment credit in STARS 2.0: Sustainable Investment. This credit allows institutions to receive the maximum number of points available (four) through their positive sustainability investments alone, or up to two of the four points through a combination of the formerly distinct investment credits. However, with this format, an institution that makes notable efforts in each area would only receive four points instead of six. As a result, institutions' efforts to create a sustainable

[42] STARS, "STARS 2.0 Administrative Update Two: Summary of Changes." http://www.aashe.org/files/documents/STARS/2.0/stars_2.0_administrative_update_two_record_of_changes.pdf. (January 22, 2014)

[43] STARS, "STARS Technical Manual version 2.0." http://www.aashe.org/files/documents/STARS/2.0/stars_2.0_technical_manual_-_administrative_update_two.pdf (January 2014)

investment policy or exercise shareholder advocacy can be obscured or disincentivized. SEI suggests that STARS reinstate the previous credit weighting in order to ensure that schools implementing different forms of sustainable investment are able to receive recognition and points for each of their actions.

Leadership on Sustainable Investment: Our findings suggest that schools can advance by being more transparent with their investments, by holding themselves to better-defined standards in responsible investing, and by expanding their use of shareholder advocacy. This report seeks to encourage more schools to incorporate sustainable practices into their investment decisions, and to provide insights that will help a greater number of institutions pursue investment credits within STARS.

Currently, there is an overall trend of limited participation in these STARS credits. For example, *the most popular* investment credit (Investment Disclosure) was pursued by only 31 percent of all STARS-rated schools.

In turn, this low rate of participation stems from the paucity of institutions committed to integrating sustainability criteria within their investment policies. Changes in STARS 2.0 may tend to reinforce the status quo by decreasing the proportion of investment credit points by more than one-third—from 5.6 percent of total available STARS points to only 3.5 percent. Given the far-reaching impact of investment decisions, this report recommends that STARS restore the original weighting of investment credits (as used from 2010 to 2014 in STARS 1.0, 1.1, 1.2).

The broad range of recommendations provided by this report indicate vital opportunities for STARS to take the lead in facilitating increased participation in sustainable investment credits. With more analysis of trends in sustainable investment and increasing attention from various stakeholders, efforts taken by institutions to align their sustainability goals with their investment policies have the potential to be an area of growth in higher education and of leadership on sustainability.

Methodology

The Sustainable Endowments Institute (SEI) assessed data from schools that submitted STARS reports between November 1, 2010 and March 1, 2014.[41] In cases where a school submitted multiple STARS reports, the most recent submission was used. Only schools that pursued any of the six investment credits in STARS 1.0, 1.1, and 1.2 were considered for this report.[45]

Institutions that submitted data as a "Reporter" do not receive a score within STARS and were therefore not included in our analysis. Institutions that are located outside of the United States and Canada were also not included in this report.

Initial collection and review of the STARS data was conducted by SEI from June 2013 to March 2014. SEI compared STARS-rated institutions' submissions to the criteria for the relevant investment credit(s) as outlined in the STARS 1.2 Technical Manual.[46] SEI staff then assessed whether each institution's response was consistent with the requisite criteria for each investment credit (as based on SEI's interpretation of each credit criteria).

For those institutions that did not provide a clear, complete, and/or consistent response to support the required criteria, SEI located publicly available data from independent sources and from institutions' websites (where available). In the cases where no additional information was publicly available, SEI sent a letter via email to the school's STARS Liaison and the Responsible Party listed for each credit to request the following:

- Clarifying information for ambiguous submissions
- Additional information for incomplete submissions
- Notable sustainable investment achievements for SEI to consider highlighting as best practices.[47]

These letters were sent to the STARS Liaisons and Responsible Parties between December 20, 2013 and March 10, 2014. To ensure receipt and proper identification of the appropriate contact(s), SEI staff followed-up the initial letter with at least two emails and one phone call.

[44] Publicly-available data from STARS-reporting institutions can be found at: https://stars.aashe.org/institutions/participants-and-reports/

[45] STARS 1.0 was released in January 1010, 1.1 in February 2011 and 1.2 in February 2012.

[46] This is the most up-to-date version of the guidelines for the six investment credits (because STARS 2.0 switched to a three investment credit format) and does not significantly alter the criteria for any credit from past versions, aside from the inclusion of green revolving funds as a way to meet the criteria for PAE-T2-1/7. http://www.aashe.org/files/documents/STARS/stars_1.2_technical_manual.pdf

[47] The STARS Liaison is the reporting institution's primary communication contact with AASHE on matters relating to STARS. The STARS Responsible Party is a member of the reporting institution who provides a statement that the information submitted for each credit is accurate, and is accountable for the information.

For the institutions that did not respond, and for the small number that responded but declined to share any information, SEI submitted a data accuracy inquiry through the STARS website to request data clarification and additional disclosure.[48] All information received from schools was included in the final review of the data.

While some credit submissions were initially identified as unclear or inconsistent, many were subsequently clarified through publicly available information and/or explanatory responses from institutions. These submissions were then regarded as consistent with the STARS criteria. The submissions for which no clarification or additional information was provided were designated as inconsistent with the applicable STARS criteria.

After analyzing for consistency, SEI staff assessed institutions' submissions and any supplemental information received to identify best practices. Best practices were defined as a policy, program, or effort that goes beyond the basic requirements outlined for the STARS credit in question. As such, there were a limited number of examples that qualified, and SEI searched for the most exemplary among the submissions that fulfilled this definition. Two best practices were selected for each credit.

Along with correspondence during the research phase, SEI emailed the final report in advance of publication to the STARS Liaisons and Responsible Parties at the 178 institutions included in this study.

SEI has briefed AASHE about the development of this research and has shared the report findings prior to publication. Although SEI and AASHE have collaborated on other projects, the two organizations have agreed not to formally partner on this project in order to avoid any potential conflict of interest or perception thereof.

[48] A method by which inquiries into the data reported to STARS can be formally submitted and reviewed by AASHE's STARS staff. STARS staff then make a determination as to whether the institution's STARS liaison must respond to provide more information or clarify submitted data. Any individual or organization can submit a data accuracy request. More information is available at: https://stars.aashe.org/pages/support/stars-report-accuracy.html

Appendix: Table - Schools' STARS 1.x Investment Credits

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
Agnes Scott College	Silver	52.57						
Alfred State College	Bronze	30.08						
American University	Gold	83.26	2.00	5.00	3.91			
Anne Arundel Community College	Silver	45.38						0.25
Appalachian State University	Gold	73.10	2.00	5.00			0.25	
Arizona State University	Gold	69.70						
Auburn University	Silver	49.13						
Babson College	Silver	54.88						
Ball State University	Gold	67.61	2.00		0.18			
Bard College	Silver	50.60	2.00	5.00			0.25	0.25
Baylor University	Bronze	32.36			1.33			
Bellevue College	Silver	45.70				0.25		
Berea College	Silver	50.29					0.25	
Boston University	Silver	49.85		5.00	0.51			
Bowdoin College	Silver	54.13						
Brandeis University	Silver	52.40						
Bridgewater College	Bronze	35.62						
Brunswick Community College	Bronze	37.99						0.25
Bryant University	Silver	47.58			1.17			
California State Polytechnic University, Pomona	Gold	69.78					0.25	0.25
California State University, Channel Islands	Silver	60.61						0.25
California State University, Chico	Gold	67.26	2.00		1.88	0.25		
California State University, Fullerton	Silver	51.35						
California State University, Monterey Bay	Gold	67.51						
Carnegie Mellon University	Silver	55.41			1.39			
Central Carolina Community College	Silver	45.24						0.25
Central Ohio Technical College	Bronze	40.97						0.25

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
Chatham University	Gold	69.39			1.48	0.25	0.25	
Clarkson University	Silver	55.06						
Cleveland State University	Silver	46.48						
Colby College	Silver	48.08		5.00	0.59			
Colgate University	Silver	59.08						
College of Lake County	Silver	48.11						
College of Saint Benedict	Silver	63.09						
Colorado State University	Gold	83.48	2.00	5.00	1.72	0.25	0.25	0.25
Columbia University	Gold	74.18	2.00	5.00		0.25	0.25	0.25
Concordia University	Silver	45.07				0.25	0.25	
Concordia College-Moorhead	Bronze	42.23						
Cornell University	Gold	73.34		5.00	0.38	0.25	0.25	
Dalhousie University	Silver	57.73			2.47			
Delta College	Silver	55.55	2.00					0.25
Denison University	Silver	49.50						
DePauw University	Silver	53.17			0.51			
Dickinson College	Gold	69.73	2.00	5.00	0.29	0.25	0.25	0.25
Dominican University of California	Bronze	34.59						
Drew University	Silver	46.52	2.00					
Duke University	Gold	70.54	2.00	5.00	0.82		0.25	
Durham College	Bronze	35.56						
Earlham College	Bronze	41.40	2.00		4.31		0.25	
East Tennessee State University	Bronze	40.95						
Eastern Connecticut State University	Silver	47.10						
Eastern Iowa Community College District	Silver	48.95						
Eastern Mennonite University	Silver	55.95	2.00	5.00	3.59	0.25	0.25	
Edmonds Community College	Silver	45.97				0.25		
Elon University	Silver	63.42			1.71			
Emory University	Gold	68.69		5.00	0.36			
Estrella Mountain Community College	Bronze	35.30						
Evergreen State College, The	Silver	60.68					0.25	0.25
Ferrum College	Bronze	33.89						
Fleming College	Bronze	39.32						
Florida Gulf Coast University	Silver	46.50						

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
Florida International University	Silver	50.16				0.25		
Florida State University	Silver	50.21				0.25		
Frostburg State University	Silver	52.35						0.25
Furman University	Silver	61.37			1.89		0.25	0.25
George Mason University	Silver	51.98			0.50			
George Washington University	Gold	66.20			0.70			
Georgia Institute of Technology	Gold	78.45		5.00	3.38	0.25	0.25	0.25
Gettysburg College	Silver	55.35			0.10		0.25	0.25
Goshen College	Silver	50.03	2.00	5.00	3.60		0.25	
Grand Valley State University	Gold	65.24						
Green Mountain College	Gold	73.16	2.00		4.50		0.25	0.25
Guilford College	Silver	47.69						
Harrisburg Area Community College	Bronze	36.18						
Haverford College	Bronze	37.45	2.00		4.53	0.25	0.25	0.25
Hawaii Pacific University	Bronze	30.89						
Haywood Community College	Gold	65.41	2.00	5.00	9.00		0.25	0.25
Hope College	Bronze	32.32						
Hopkinsville Community College	Bronze	32.13						
Humber College	Silver	45.68						
Humboldt State University	Silver	55.01	2.00			0.25	0.25	0.25
Illinois Central College	Bronze	26.62					0.25	0.25
Illinois Institute of Technology	Silver	52.66						
Illinois State University	Bronze	31.07						
Indiana State University	Silver	55.74						
Indiana University Bloomington	Silver	51.69			1.12			0.25
Indiana University-Purdue University Indianapolis	Silver	51.09			1.21			0.25
Iowa State University	Gold	75.93		5.00	1.84			0.25
Ithaca College	Gold	68.05						0.25
James Madison University	Silver	51.66						
Jefferson Community and Technical College	Silver	58.80						
Judson University	Bronze	43.28						
Kankakee Community College	Silver	47.92						0.25
Keene State College	Silver	47.80						0.25
King's University College	Silver	52.43						

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
Lawrence University	Silver	54.97				0.25	0.25	
Louisiana State University	Silver	49.83				0.25		
Loyola Marymount University	Silver	52.69	2.00		0.06		0.25	
Loyola University Chicago	Gold	67.02						
Luther College	Silver	50.90						0.25
Macalester College	Silver	61.90	2.00		0.39		0.25	
Maharishi University of Management	Silver	47.17				0.25		
Marquette University	Silver	51.18					0.25	
Maryville College	Bronze	32.91					0.25	0.25
McGill University	Silver	56.03	2.00				0.25	
Miami University	Silver	45.39						
Michigan State University	Silver	52.15				0.25	0.25	
Middlebury College	Gold	66.90	2.00		0.06			
Mills College	Silver	49.21	2.00				0.25	
Minnesota State University Moorhead	Silver	46.45						
Missouri State University	Bronze	35.50						
Missouri University of Science and Technology	Silver	49.24						
Moraine Valley Community College	Bronze	42.27						
Mount Holyoke College	Silver	47.19				0.25		
Muhlenberg College	Bronze	33.11				0.25		
New Mexico State University	Gold	65.26	2.00					0.25
New York University	Gold	66.39						
Niagara College of Applied Arts and Technology	Bronze	35.74						
North Seattle Community College	Silver	46.59						
Northern Alberta Institute of Technology	Bronze	37.63						
Northern Arizona University	Gold	66.39				0.25		
Northland College	Silver	61.45						
Nova Scotia Community College	Gold	67.43						
Oberlin College	Gold	65.71		5.00				0.25
Okanagan College	Silver	55.85			9.00		0.25	
Oklahoma City University	Bronze	30.68					0.25	
Oklahoma State University	Bronze	27.67						
Old Dominion University	Bronze	38.61						
Onondaga Community College	Silver	49.91						

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
Orange County Community College	Bronze	43.60						0.25
Oregon Institute of Technology	Bronze	39.89		5.00				0.25
Oregon State University	Gold	68.95	2.00	5.00		0.25	0.25	0.25
Pace University	Bronze	31.41						
Pacific Lutheran University	Gold	67.40	2.00					0.25
Pacific University	Bronze	36.38						
Pennsylvania State University	Silver	58.76			2.40			
Pittsburg State University	Bronze	30.28						
Pomona College	Gold	65.14	2.00				0.25	
Portland Community College	Silver	55.47	2.00		9.00	0.25		
Portland State University	Gold	73.12						
Princeton University	Silver	59.22	2.00	5.00	1.27		0.25	
Purdue University	Silver	50.16						0.25
Raritan Valley Community College	Bronze	36.09						
Red River College	Silver	49.70						
Richland College - DCCCD	Silver	50.68						
Richland Community College	Bronze	28.80						
Ringling College of Art and Design	Bronze	40.43						
Rio Salado College	Silver	53.98						
Rochester Institute of Technology	Silver	56.75						
Rocky Mountain College of Art + Design	Bronze	25.46						
Royal Roads University	Gold	70.03						0.25
Saint John's University	Silver	46.96						
Saint Louis University	Bronze	39.16					0.25	
Saint Mary's University	Silver	48.98				0.25		
San Diego State University	Silver	51.10						0.25
San Jose State University	Silver	50.55					0.25	
Santa Clara University	Silver	61.88	2.00	5.00			0.25	
Scripps College	Bronze	37.84			0.70	0.25		
Seattle Central Community College	Bronze	31.10						
Sewanee - The University of the South	Silver	47.92	2.00		0.46			0.25
Sheridan Institute of Technology and Advanced Learning	Bronze	35.30					0.25	
Shoreline Community College	Bronze	26.74						
Simon Fraser University	Silver	47.43			9.00			

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
Slippery Rock University	Silver	46.80						
South Seattle Community College	Bronze	26.64						
Southern Illinois University Carbondale	Silver	48.36						0.25
Southern Illinois University Edwardsville	Bronze	32.25						0.25
Southern Oregon University	Silver	59.16	2.00			0.25		0.25
St. John's University	Gold	66.03				0.25	0.25	
St. Lawrence University	Silver	47.43						0.25
Stanford University	Gold	68.39	2.00	5.00			0.25	
Stark State College	Silver	45.12						
State University of New York at Brockport	Silver	47.93						
State University of New York at Cortland	Silver	48.81						
State University of New York at Fredonia	Bronze	34.69						0.25
State University of New York at Geneseo	Silver	46.38				0.25		0.25
State University of New York at Oneonta	Bronze	40.33						
State University of New York at Oswego	Silver	55.73					0.25	0.25
State University of New York College of Environmental Science and Forestry	Silver	46.66			0.30			0.25
Stetson University	Bronze	42.63						
Taylor University	Bronze	36.89		5.00		0.25		
Texas A&M University	Silver	47.51						
The College of Wooster	Silver	45.81						
The New School	Silver	46.92	2.00					
The Ohio State University	Silver	59.10		5.00	0.63			
The Ohio State University at Lima	Silver	47.56		5.00	0.63		0.25	
The Ohio State University at Mansfield	Silver	47.53		5.00	0.63		0.25	
The Ohio State University at Marion	Silver	51.84		5.00	0.63		0.25	
The Ohio State University at Newark	Silver	48.43		5.00	0.63		0.25	0.25
The University of Arizona	Gold	66.41			0.41	0.25		0.25
Thompson Rivers University	Silver	48.57						
Towson University	Bronze	38.09						0.25
Transylvania University	Bronze	36.11						
Truman State University	Bronze	26.19						
Tufts University	Silver	62.73	2.00		2.83	0.25		
Unity College	Silver	59.79			4.26		0.25	
Université Laval	Gold	73.28		5.00	2.79		0.25	

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
University at Albany	Silver	56.05						
University at Buffalo	Silver	55.69	2.00					
University of Alaska Anchorage	Bronze	37.22						0.25
University of Alaska Fairbanks	Gold	65.51				0.25		0.25
University of Alaska Southeast	Bronze	31.31						0.25
University of Alberta	Silver	61.60			3.16			0.25
University of Arkansas	Silver	60.32						
University of Arkansas at Little Rock	Bronze	35.82			0.37			
University of British Columbia	Gold	65.09			0.10			0.25
University of Calgary	Gold	67.52	2.00					0.25
University of California, Davis	Gold	71.18					0.25	0.25
University of California, Irvine	Gold	66.00					0.25	0.25
University of California, Los Angeles	Silver	59.14			0.75	0.25		0.25
University of California, Merced	Silver	60.77					0.25	0.25
University of California, Riverside	Silver	53.93					0.25	0.25
University of California, San Diego	Gold	68.32	2.00					0.25
University of Florida	Silver	62.51	2.00		1.39		0.25	
University of Houston	Silver	54.31						0.25
University of Illinois, Urbana-Champaign	Gold	74.51						
University of Iowa	Gold	67.54		5.00	0.41			0.25
University of Kansas	Bronze	37.98		5.00	0.16		0.25	0.25
University of Kentucky	Silver	48.03						
University of Louisville	Silver	58.29	2.00		0.56			0.25
University of Maryland, College Park	Gold	65.92		5.00	0.28			0.25
University of Massachusetts Amherst	Gold	70.93				0.25		
University of Massachusetts Medical School	Bronze	38.84						
University of Michigan	Silver	57.74				0.25		
University of Minnesota, Morris	Gold	68.87	2.00	5.00	1.77		0.25	0.25
University of Minnesota, Twin Cities	Silver	64.54	2.00	5.00	1.14	0.25	0.25	0.25
University of Missouri	Gold	66.51						
University of Missouri, Kansas City	Silver	55.32	2.00					0.25
University of Montana	Silver	49.07				0.25		0.25
University of Mount Union	Bronze	40.28			0.32			
University of Nebraska - Lincoln	Bronze	31.22						

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
University of Nevada, Las Vegas	Silver	51.85			7.37	0.25		0.25
University of New Hampshire	Gold	67.29		5.00	0.92			0.25
University of North Carolina at Chapel Hill	Silver	53.11						
University of North Carolina at Greensboro	Silver	61.73						0.25
University of North Florida	Bronze	33.32						
University of North Texas	Silver	54.45						0.25
University of Northern British Columbia	Silver	56.09			0.03			
University of California, Santa Barbara	Gold	66.27						0.25
University of Cincinnati	Silver	45.15						0.25
University of Colorado Boulder	Gold	68.77	2.00	5.00	0.97		0.25	
University of Colorado Colorado Springs	Silver	53.78	2.00	5.00	0.97		0.25	0.25
University of Colorado Denver	Silver	50.14	2.00	5.00	1.49		0.25	0.25
University of Dayton	Silver	45.46		5.00		0.25	0.25	
University of Denver	Gold	65.74		5.00	0.02			
University of Georgia	Gold	65.28			0.02	0.25		
University of Northern Iowa	Gold	70.13	2.00	5.00	1.35		0.25	
University of Notre Dame	Silver	57.85				0.25	0.25	
University of Ottawa	Silver	58.86					0.25	0.25
University of Pennsylvania	Silver	61.45	2.00	5.00	0.05			
University of Puget Sound	Gold	68.77			1.15		0.25	
University of Richmond	Silver	48.95						
University of San Diego	Gold	69.95	2.00	5.00			0.25	
University of Saskatchewan	Bronze	37.14						0.25
University of South Carolina	Gold	66.33						0.25
University of South Florida	Gold	75.37	2.00		0.23			0.25
University of Tennessee at Knoxville	Silver	51.13						0.25
University of Texas at Arlington	Silver	46.66						
University of Texas at Austin	Silver	51.19						
University of Texas at San Antonio	Bronze	25.60						
University of the District of Columbia	Bronze	36.66						
University of Utah	Bronze	35.74				0.25		
University of Vermont	Gold	65.35	2.00	5.00			0.25	0.25
University of Victoria	Gold	66.45						
University of Virginia	Silver	53.32				0.25		

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Shareholder Advocacy (5 credits)	Positive Sustainability Investment (9 credits)	Student-Managed Sustainable Investment Fund (.25 credits)	Sustainable Investment Policy (.25 credits)	Investment Disclosure (.25 credits)
University of Washington, Seattle	Gold	70.23		5.00	2.69		0.25	
University of Wisconsin-Green Bay	Silver	49.62					0.25	
University of Wisconsin-Milwaukee	Silver	55.33	2.00	5.00			0.25	0.25
University of Wisconsin-Oshkosh	Gold	67.35			5.47		0.25	
University of Wisconsin-River Falls	Silver	58.09						0.25
University of Wisconsin-Stevens Point	Gold	68.81	2.00	5.00			0.25	0.25
University of Wisconsin-Stout	Silver	48.22						
Utah State University	Silver	46.60						
Valencia College	Silver	50.18						
Vassar College	Silver	48.18	2.00	5.00	0.63			
Virginia Commonwealth University	Silver	51.13						0.25
Virginia Tech	Silver	63.30			0.43			
Wake Forest University	Silver	52.49			1.57			0.25
Wartburg College	Silver	55.23				0.25		
Washington and Lee University	Bronze	38.11				0.25		
Washington University in St. Louis	Silver	53.15			1.89			
Weber State University	Bronze	30.98			1.50			
Wellesley College	Silver	59.33	2.00		1.56			
Wesleyan University	Silver	53.04	2.00			0.25		
Western Kentucky University	Silver	48.92						
Western University	Silver	52.11			0.18	0.25	0.25	0.25
Western Washington University	Silver	61.29		5.00	9.00		0.25	
Westminster College	Silver	47.57						
Wilfrid Laurier University	Silver	55.21						
Williams College	Silver	47.35	2.00	5.00			0.25	
Yale University	Silver	55.29	2.00		2.51	0.25	0.25	0.25
Yeshiva University	Bronze	40.43						
Total Number of Institutions Receiving Credit			59	50	86	49	77	92
Percent of Total Institutions Receiving Credit[43]			20%	17%	29%	17%	26%	32%

[43] All credits are current as of the *College and Endowment Investment Trends and Best Practices* publication on September 3, 2014.

Appendix: Table - Schools' STARS 2.0 Investment Credits

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Sustainable Investment (4 credits)	Investment Disclosure (1 credit)
Arizona State University	Gold	69.70	2	0.95	0.37
Bard College	Gold	65.38	2	1.33	1
Bentley University	Silver	55.56			
Black Hills State University	Silver	46.72			
Central New Mexico Community College	Bronze	41.33			
Colgate University	Gold	65.79			
Colorado College	Silver	55.87		0.33	1
Emory University	Gold	73.42		0.08	
Florida Gulf Coast University	Gold	66.99			
Goshen College	Silver	50.03	2	4	
Goucher College	Silver	46.17			
Grand Valley State University	Gold	65.07		0.33	1
Haverford College	Silver	49.24	2	0.79	1
Johnson County Community College	Bronze	35.38			0.79
Knox College	Bronze	43.00			
Loyola University Chicago	Gold	65.87	2	1	0.1
Luther College	Silver	47.51		0.09	1
Macalester College	Gold	66.99	2	0.1	
Middlebury College	Gold	72.41	2	1.83	
Minnesota State University Moorhead	Silver	46.45			
Northern Arizona University	Gold	65.60			
Oregon State University	Gold	70.65	2	1.11	1
Saint Mary's College of California	Bronze	38.94			
Santa Clara University	Gold	70.14		0.76	
Slippery Rock University	Silver	46.80			
Smith College	Silver	56.27			

Institution	Overall STARS Rating	Overall STARS Score	Committee on Investor Responsibility (2 credits)	Sustainable Investment (4 credits)	Investment Disclosure (1 credit)
Stanford University	Gold	74.63	2	1.33	
State University of New York at Fredonia	Bronze	38.80			1
University of California, Santa Barbara	Gold	71.08		0.67	1
University of Missouri, Kansas City	Silver	58.11	2		
University of Nebraska - Lincoln	Bronze	31.22			
University of Nebraska at Omaha	Bronze	37.45			
University of New Hampshire	Gold	69.03		0.47	1
University of North Carolina at Chapel Hill	Gold	70.01	2		
University of North Texas	Silver	55.48			1
University of Texas at Austin	Silver	55.88			1
University of Victoria	Gold	66.45		0.67	1
University of Wisconsin-Oshkosh	Gold	72.92	2	4	1
University of Wisconsin-River Falls	Silver	63.46		0.33	
Vassar College	Silver	55.50	2	1.05	
Western Michigan University	Gold	66.21		0.13	1
Westminster College	Silver	50.28			
Wilfrid Laurier University	Silver	55.21			
Total Number of Institutions Receiving Credit			**13**	**21**	**17**
Percent of Total Institutions Receiving Credit			**30%**	**49%**	**40%**

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