

Cornell University Student Assembly

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Type of Action:	Recommendation
Status/Result:	New Business

S.A. Resolution #28

Mandating Cornell's Commitment to the Economic Justice of Puerto Rico and the Operational Transparency of its Investments

ABSTRACT: This resolution recommends that Cornell University investigate its holdings and divest from any and all Puerto Rican debt obligations. Additionally, Cornell should create a fair investment policy in regard to government debt as well as disclose its investment partnerships in yearly tax filings.

Sponsored by: Zachary Schmetterer '18

Whereas, a letter signed by 28 organizations was sent to President Pollack on October 16, 2017 regarding the university's endowment holdings in Seth Klarman's Baupost Group, which owns \$911.6 million worth of Puerto Rican debt bonds;

Whereas, in said letter, Hedge Clippers and its partner organizations outlined that Baupost purchased large portions of Puerto Rico's debt at a steep discount and demands that the island enact "extreme austerity measures" in order to repay its creditors in full;

Whereas, the Intercept and CNBC found that Baupost purchased \$469 million senior and \$442 junior COFINA bonds through shell company Decagon Holdings LLC to shield the hedge fund from public scrutiny;

Whereas, Cornell University has not publicly disclosed its holdings in the Baupost Group, and the Office of the University Treasurer "is bound by confidentiality agreements with its investment managers that prevent Cornell from publicly disclosing a manager's investment strategy or investment holdings" as of December 22, 2017;

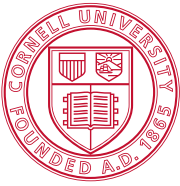
Whereas, the University Tax Office fails to disclose any of Cornell's investment partnerships relating to "investment income information provided by the endowment's investment managers" on its Form 990 and Form 990-T;

Whereas, Cornell's disclosure policies represent a significant departure from that of peer institutions such as Harvard, Yale, and Princeton; for instance, Princeton's 2015 Form 990 clearly lists the University's partnerships and investments in funds managed by the Baupost Group;

Whereas, Cornell has previously shown its commitment to the welfare of Puerto Rico and its people with its offer of a free semester of study to 62 students from Universidad de Puerto Rico;

Be it therefore resolved, that Cornell University makes a strong commitment to economic justice and operational transparency as well as execute the following remedies;

Be it further resolved, that Cornell University conduct a due diligence investigation of its holdings with the Baupost Group and divest from any and all Puerto Rican debt obligations;



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45 **Be it further resolved**, the Office of University Investments evaluate the holdings with other investment
46 partnerships for Puerto Rican debt and likewise divest from such investments;

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48 **Be it further resolved**, the Office of University Investments create a new policy preventing affiliated
49 investment partnerships from coercing the repayment on government debt above the market terms offered
50 to all investors;

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52 **Be it finally resolved**, Cornell University's Office of the University Treasurer, University Tax Office, and
53 all other relevant entities explicitly list investment partnerships in their yearly tax filings in terms of both
54 the initial investment amount, the fund's name, and affiliation.

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56 **Respectfully Submitted,**

57
58 Christopher Arcé '19
59 *Co-President, Puerto Rican Students Association*
60 *Vice-President, Cornell Welcomes Refugees*
61 *Executive Board, Christian Union*

62
63 Zachary Schmetterer '18
64 *Parliamentarian, Student Assembly*
65 *Ex-President Cornell Roosevelt Institute*

66
67 Rahul Mukherjee '20
68 *President, Cornell Impact Investing*

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70 Aman Banerji
71 *Senior Program Associate, Roosevelt Institute*

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73 Elizabeth Parisian
74 *Hedge Clippers*

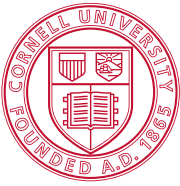
75
76 Ademali Sengali
77 *Columbia University, Roosevelt Institute*

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79 Michael Charles '16
80 *Former President, American Indian Science and Engineering Society*

81
82 Shivani Parikh '19
83 *President, South Asian Council*
84 *Presidential Task Force, Campus Response Sub-Committee Member*

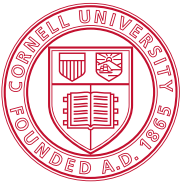
85
86 Anne Riley '18
87 *Treasurer, Cornell Welcomes Refugees*
88 *Chief Administrative Officer, Kappa Alpha Theta, Iota*
89 *Director of Recruitment, Cornell International Business Association*

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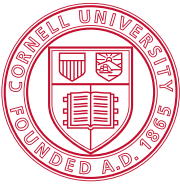
Cornell University Student Assembly

- 91 Adriana Herrera '20
92 *Chair, MEChA de Cornell*
93 *President, Sabor Latino Dance Ensemble*
94
95 Zachary Aleksandur de Stefan '18
96 *Co-Facilitator, Amnesty International at Cornell University*
97
98 Paul Russell '19
99 *President, Interfraternity Council*
100
101 Jeremy Gartland '18
102 *Executive Board, Christian Union*
103
104 Andrew Peterson '18
105 *Co-president, Cornell Coffee Club*
106
107 Robert Hendricks '17 JD '19
108 *President, Christian Legal Society*
109
110 Tarannum Sahar '20
111 *President, Cornell Welcomes Refugees*
112 *Vice President, Bengali Students Association*
113
114 Micah Wallingford '20
115 *Brotherhood Chairman, Phi Kappa Tau Fraternity*
116
117 Nayara Luna Guzmán '19
118 *Student Staff, Latina/o Studies Program*
119
120 Michael Sarkis '20
121 *Vice President of Programming, Interfraternity Council*
122
123 Venus Dulani '19
124 *Co-President, Big Red Bikes*
125 *Advocacy, International Students Union*
126
127 Natalie Brown '18
128 *President, Cornell University Democrats*
129
130 Winnie Ho '19
131 *Cornell Tradition Fellow*
132
133 Jenise Carter '19
134
135 Piragash Swargaloganathan '19



Cornell University Student Assembly

- 136 *Member SJP*
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138 Kimberly St Fleur '21
139 *Cornell Tradition Fellow*
140 *Member, Christian Union*
141
142 Faith Slaughter '20
143 *Treasurer, The Black Women's Support Network*
144
145 Dennis Delasi Nyanyo '18
146 *Vice President of Funding, International Student Union*
147 *Co-President, Ghanaians at Cornell*
148
149 Lavanya Aprameya '19
150 *President, Haven: Cornell's LGBTQ Student Union*
151
152 Omar Din '19
153 *Board Member, Muslim Educational & Cultural Association*
154 *Human Ecology Rep, Student Assembly*
155
156 Christopher Schott '18
157 *Executive Board, International Students Union*
158 *International Students Liaison At-Large, Student Assembly*
159
160 Mark Svenjak '18
161 *President, American Hotel & Lodging Association*
162 Drew Lord '18
163 *President, Interfraternity Council*
164
165 Ian Wallace '20
166 *LGBTQ+ Liaison At-Large, Student Assembly*
167 *Board Member, Cornell Welcomes Refugees*
168
169 Kyjana Barnett '18
170 *President, Cornell Students for Animal Rights*
171
172 Alex Santoriello '19
173 *House Manager, Sigma Pi Fraternity*
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175 Daniela Manzano '19
176 *Executive Chairperson, Cornell University Program Board*
177 *Director of Corporate Relations, Society of Hispanic Professional Engineers*
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179 Elton Munoz '19
180 *Community Service Associate, Society of Hispanic Professional Engineers*
181



Cornell University Student Assembly

- 182 Cristian Alonso '18
183 *Treasurer, Society of Hispanic Professional Engineers*
184
185 Maame Akosua Ohemeng-Tinyase '20
186 *Director of Internal and External Affairs , Ghanaians@Cornell*
187 *Secretary, Baraka Kwa Wimbo*
188
189 Tasnuva Ferdous Ming Khan '18
190 *President, Bengali Students Association*
191
192 Anuush Vejalla '20
193 *Vice President, South Asian Council*
194 *Secretary, Hindi Student Council*
195
196 Syed Samin '19
197 *President, Muslim Educational and Cultural Association*
198
199 Abraham Araya '19
200 *President, Multicultural Greek Letter Council*
201
202 Evan Shapiro '19
203 *College of Arts and Sciences Representative, Student Assembly*
204 *Productions Chairperson, Cornell University Program Board*
205
206 Aaron Gottesfeld '19
207 *Executive Vice President, Roosevelt Institute*
208
209 Stephannie Chen '19
210 *President, Roosevelt Institute*
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213 *(Reviewed by: Executive Committee, 4-0-0, 02/07/2018)*