Date: September 1, 2019
Referendum: #19-02
Sponsors:
Donna Shahbazi, CSU President
Michael Galeski, CSU Board of Representatives, Sustainability Committee Chair
Hugh Truempi, Heider College of Business, 2020
Emily Burke, College of Arts and Sciences, 2021

Abstract

Creighton University maintains a total endowment of $568,813,000 (as of June 30, 2018)[1] for the purpose of investing in the support of present students and the security of the University's future. In May 2019, President Father Hendrickson verbally disclosed the percentage of this endowment invested in the fossil fuel[2] industry to be 10.6% in a meeting with students. Of this 10.6%, roughly 2% was said to be invested in the top 200 highest carbon emitting fossil fuel companies which hold the vast majority of the world's proven coal, oil, and gas reserves.[3]

The proposed action is that Creighton University immediately freeze any new investment in fossil fuel companies[4], divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds by 2025 (given that this equates to the aforementioned 2% of the endowment as of May 2019), and consistently analyze and evaluate the returns with respect to the evolving market. The ultimate goal of this plan should reflect full divestment from fossil fuel companies by the date which the University has reached full carbon neutrality[5] in operations. Creighton University should publicize this plan to act. If Creighton University should choose not to devise such a plan, a public statement should be made giving apt moral and financial justifications for the decision.

This referendum appeals to Creighton University's own mission statement, strategic plan, and investment policy statement to encourage the devisal of a divestment plan to uphold the integrity of the University's Catholic and Jesuit identity and mission. In citing documents published and promoted on behalf of the Society of Jesus, Pope Francis, and the U.S. Conference of Catholic Bishops, this proposal is in keeping with the ethical standards of Creighton University, in the interest of social responsibility, and as a just action taken on behalf of those most immediately threatened by climate change.

This referendum details a multitude of credible sources, including the International Monetary Fund, The World Bank, Nature, among others, which provide backing for our arguments that fossil fuel divestment is financially justified. Their reasoning includes the increasing potential of more stringent regulations on carbon emissions and a subsequent downturn in demand of fossil fuels, as well as the

[1] Creighton University Consolidated Financial Statements June 30, 2018 and 2017, page 22.
[2] A natural fuel such as coal, oil, or natural gas.
[3] Specifically, this is a list of 100 coal stocks and 100 oil and gas stocks ranked by the potential carbon emissions content of their reported reserves. The list can be found here.
[4] To not invest in any additional assets in fossil fuels after the date by which this Referendum is enacted.
[5] Achieving a net zero carbon footprint by balancing carbon dioxide emissions with carbon sequestration projects and the purchasing of carbon offsets if necessary.

overvaluation of fossil fuel companies due to their reserves predicted to become stranded assets[6] in the future.

This referendum also addresses and refutes several counterarguments, including that divestment will limit Creighton's ability to provide scholarships to students, that it is an ineffective strategy for enacting change, and that its financial implications pose too high of risk. Additionally, specific examples of other universities, institutions, cities, and countries which have divested from the fossil fuel industry and the available results of those divestments are included. In conclusion, fossil fuel divestment is a moral and financial imperative for Creighton University.

[6] Assets of a firm that have become obsolete due to new government regulations, a change in demand, or legal action.

Purpose: The urgency of the climate crisis calls us to act responsibly on many fronts, including in our investments. We, the students of Creighton University, in concert with the College of Arts and Sciences Faculty Senate, urge Creighton University to divest its endowment from its holdings in direct fossil fuel extraction companies. Creighton University should strive to act as a leader of the larger climate justice movement in accordance with its mission, its Catholic and Jesuit identity, and its fiduciary responsibility[7] as a university.

Whereas: Creighton University's President, Fr. Daniel Hendrickson, S.J., has repeatedly called the university to be a leader on climate action. His 2019 Earth Day address concluded with the following words: "Indeed, much difficult work needs to be done, but I am hopeful that we can serve as a leading institution in moving our campus, our community, and our world forward to a better tomorrow." [8] This charge is in alignment with Creighton University's mission to work for the "betterment of society" and to allow the exercise of "critical and creative thinking and [the provision of] ethical perspectives for dealing with an increasingly complex world" sets it apart from other universities.[9] This mission obligates the promotion of justice and the consideration of the greater society.

Whereas: Creighton University has proven itself an institution committed to sustainability efforts however, "Pope Francis, in his ecological encyclical *Laudato Si'* and consistent with St. John Paul II, Pope Benedict XVI, and the Society of Jesus calls us to do more." [10] One pledged response listed in the Creighton 150 Strategic Plan, "especially animated by our Jesuit, Catholic mission, will be a renewed commitment to promoting ecological justice at Creighton University and within society at large." [11] Divestment from fossil fuels will live up to this charge to truly *do more*. Such action will help the university to be "recognized regionally, nationally, and internationally as a significant voice on Catholic Social Teaching. These values affirm the interconnectedness of commitments to, among other things: protect human life, promote human dignity, exercise a preferential option for the poor and vulnerable, advance the common good, and care for God's creation." [12] Divestment and purposeful defunding of the fossil fuel industry exercises such values by contributing to collective action on behalf of universities to disempower the industries whose business model and political activities perpetuate our current ecological crisis.

Whereas: Pope Francis explicitly attributes our current ecological crisis to the use and misuse of fossil fuels in his 2015 encyclical Laudato Si'.[13] The Pope advocates for action that may "prove successful in

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[7] The obligation of one party to make sound financial decisions in the interest of a larger organization.
[8] Fr. Daniel Hendrickson, Earth Day email.
[9] Creighton University Mission Statement
[10] The Creighton 150 Strategic Plan: Lighting the Way, page 12.
[11] Ibid.
[12] Ibid.
[13] Pope Francis, "Laudato Si'," page 165.

changing the way businesses operate, forcing them to consider their environmental footprint and their patterns of production. When social pressure affects their earnings, businesses clearly have to find ways to produce differently," and refers to the words of Pope Benedict XVI to emphasize that "purchasing is always a moral – and not simply an economic – act." [14] This statement further affirms the efforts of consumer boycotts and encourages drastic action in this regard, demonstrated in the consideration and execution of a divestment plan. Additionally, a 2018 address given by Pope Francis to executives, investors, and experts in the energy sector states, "Political decisions, social responsibility on the part of the business community and criteria governing investments – all these must be guided by the pursuit of the long-term common good and concrete solidarity between generations. There should be no room for opportunistic and cynical efforts to gain small partial results in the short run, while shifting equally significant costs and damages to future generations." [15]

Whereas: Creighton University, among other Jesuit universities, is advised by the Society of Jesus on use of economic resources: "Since obtaining funds is necessary, the university should adhere to definite criteria that will guarantee its autonomy. *It should not compromise its identity with that of a donor*. This may happen when accepting funds from institutions whose activities are not entirely ethical or are perceived as contrary to justice and other values promoted by the university. In such cases the credibility of the university can be severely damaged."[16] Creighton University's allocation of endowment funds as invested in fossil fuel companies is not only contrary to Catholic teachings, but with Creighton University's own mission to promote the betterment of society. As asserted, "The university's funds should be invested with a view to obtaining the best return, but it must be in keeping with sound ethical standards." [17]

Whereas: To accept the returns from fossil fuel investments is a failure to live up to being Men and Women For and With Others which requires "a firm resolve never to profit from, or allow ourselves to be suborned by, positions of power deriving from privilege, for to do so, even passively, is equivalent to active oppression. To be drugged by the comforts of privilege is to become contributors to injustice as silent beneficiaries of the fruits of injustice." [18] In a position of relative insulation from the effects of climate change, Creighton University's use of these funds is indirectly supporting oppression wrought by the industry in the process.

Whereas: Currently, Creighton University holds 0.00/2.00 on committee investor responsibility, 0.33/4.00 on sustainable investment, and 0.00/1.00 on investment disclosure according to the AASHE STARS ranking program.[19] These alarmingly low rankings warrant Creighton University's position in the bottom tier of universities who report sustainability data.[20] These low rankings hurt Creighton's reputation

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[14] Ibid, page 206.
[15] Pope Francis, "Address of His Holiness Pope Francis to Participants at the Meeting for Executives of the Main Companies in the Oil and Natural Gas Sectors, and Other Energy Related Business," 2018.
[16] The Society of Jesus, "Promotio iustitiae: The Promotion of Justice in the Universities of the Society," page 43.
[17] Ibid.
[18] Arrupe, S.J., Pedro, "Men and Women For Others," 1973.
[19] The AASHE STARS page for Creighton can be found here.
[20] The full 2019 AASHE Sustainable Campus Index report can be found here.

as a sustainable university to prospective students, donors, and future partners. Disclosure and divestment would allow for the positive press from which the top ranking universities benefit. [21]

Whereas: Creighton University's own Investment Policy Statement claims to follow the United States Conference of Catholic Bishops' (USCCB) Socially Responsible Investment Guidelines: *"*Certain investments may be deemed inappropriate by the Investment Committee, which will use as its guide the United States Conference of Catholic Bishops Socially Responsible Guidelines regarding socially responsible investment of Church funds." [22] Creighton University has established itself as a social actor by applying negative investment screens[23] on abortion, stem-cell research, military weapons, and pornography, but has disregarded the guideline of Protecting the Environment by investing 10.6% of endowment funds in direct extraction fossil fuel companies.[24] The Socially Responsible Investment Guidelines are proposed as a strategy to "do no harm" and according to the USCCB, "This strategy involves… refusal to invest in companies whose products and/or policies are counter to the Catholic moral teaching or statements adopted by the Conference of bishops [and] divesting from such companies. The decision to divest, to refuse to invest, would be based on the principle of cooperation and the avoidance of scandal." [25]

Whereas: According to a 2015 study in Nature[26], an estimated third of oil reserves, half of gas reserves, and more than 80% of known coal reserves must remain unused in order to avoid locking in catastrophic temperature rise and globally breaking the agreements of the Paris Climate Accord. This represents systemic overvaluation of fossil fuel reserves and fossil fuel companies.[27] Any increase above 1.5 degrees Celsius is correlated to significantly greater levels of poverty, hunger, and climate refugees due to rising sea levels, public health crises, and higher rates and intensities of natural disasters.[28] These adverse effects will fall disproportionately upon the poorest and most vulnerable communities, both in the developed and developing world.[29] If the fossil fuel industry continues to burn reserves at current rates, as they intend, a 4+ degree Celsius increase in warming from pre-industrial levels is highly probable.[30] This would have devastating effects to humanity, including extreme heat waves, the destruction of large coastal cities, and an irreversible loss of biodiversity.[31]

Counterargument: Divestment will lead to a decreased endowment size and therefore a limited ability to provide scholarships to students. This will hurt low-income and minority students the most, and is in direct opposition to Creighton's mission.

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[21] AASHE STARS, "Interview with Colorado St. University, the first STARS Platinum Rated Institution", 2018
[22] Creighton University Investment Policy Statement, page 9.
[23] Excluding companies that do not comply with specific, pre-set criteria.
[24] United States Conference of Catholic Bishops, "Socially Responsible Investment Guidelines".
[25] Ibid.
[26] McGlade, Cristoph and Elkins, Paul, "The geographical distribution of fossil fuels unused when limiting global warming to 2 °C." *Nature*, 2015.
[27] University of Oxford, "Stranded Assets and Scenarios," 2014.
[28] IPPC, "Global Warming of 1.5℃," 2018.
[29] The World Bank, "Climate Change and Poverty", 2014.
[30] The World Bank, "New Report Examines Risks of 4 Degree Hotter World by End of Century," 2012.
[31] Ibid.

Whereas: A 2016 report from Aperio Group LLC found that the estimated tracking error[32] between divested portfolios and an established benchmark was 0.36% globally and 0.10% in the US.[33] Numerous other studies[34] [35] [36] confirm the limited risks of divesting from fossil fuel companies with well-diversified portfolios. These studies also cite the risks associated with remaining invested in fossil fuels to be considered. Given the extreme likelihood of increased regulations on carbon emissions and a subsequent downturn in demand, these reserves will become stranded assets and market values for fossil fuel shares will diminish in the long-term at the expense of renewable energy alternatives.[37] This phenomenon of stranded assets is well-recognized by academic research institutions[38] and financial institutions.[39] In fact, even British Petroleum Company (BP) acknowledges that renewables will be the dominant power source prior to 2040.[40] All of these institutions fear that the transition to a low-carbon economy may have destabilizing effects on the financial system. Delaying divestment poses serious risks for Creighton University's endowment. Divestment and the subsequent reinvestment process is a financial opportunity to mitigate risk and maximize returns in other sectors. Creighton University has a fiduciary responsibility to not wait to divest until it is too late.

Counterargument: Many fossil fuel companies have recently invested in renewable energy projects. With their power and global influence, they can evoke more positive change than renewable energy companies.

Whereas: The top 24 publicly listed fossil fuel companies only invested 1.3% of their budgets on low carbon energy in 2018.[41] While this is nearly double the 0.68% of budgets spent on clean energy from 2010-2017, it does not come close to the targets needed to avoid 2+ degrees of warming from pre-industrial levels.[42] [43] This being said, the private sector can still be a leader in climate change mitigation. Divestment acts as a market signal to a transition towards a more sustainable economy. If this creates an incentive for the fossil fuel industry or other corporations to invest in low-carbon energy, the

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[32] A measure of financial performance showing the difference between return fluctuations of an investment portfolio and the return fluctuations of a chosen benchmark. Corporate Finance Institute.
[33] Aperio 2016, "Risk Mitigation of Divestment"
[34] Trinks, P. J., Scholtens, L., Mulder, M., and Dam L., "Divesting Fossil Fuels: The Implications for Investment Portfolios" (Groningen: University of Groningen, SOM research, school, 2017)
[35] Cleveland, Cutland J., and Reibstein, Richard, "Divesting from Fossil Fuels Makes Sense Morally ... and Financially," New England Journal on Higher Education (February 2015).
[36] Hunt, Chelsie and Weber, Olaf, "Fossil Fuel Divestment: Financial and Carbon-Related Consequences," *Organization and Environment* 1, no. 21 (2018).
[37] Mawoker, Joel, "The growing concern over stranded assets," GreenBiz, 2019.
[38] London School of Economics and Political Science, Grantham Institute on Climate Change and the Environment, "What are stranded assets".
[39] Robins, Nick, Keen, Andrew, and Knight, Zoe, "Stranded Assets: Assessing the Risk," HSBC Global Research, June 21, 2012.
[40] Foehringer Merchant, Emma, "BP and McKinsey Agree Renewables Will Be the Dominant Power Source by 2040, but Diverge on Numbers", GreenTechMedia, 2019.
[41] Bousso, Ron, "Big Oil Spent 1 Percent on Green Energy in 2018," 2018.
[42] Ibid.
[43] McGlade, Cristoph and Elkins, Paul, "The geographical distribution of fossil fuels unused when limiting global warming to 2 °C." *Nature*, 2015.

divestment movement will still accomplish its intended goal of avoiding the most catastrophic effects of climate change.

Counterargument: Creighton University should wait to divest until this strategy has been trialed by others.

Whereas: Universities with endowments larger, smaller, and comparable size to Creighton University have already divested without sacrificing returns.[44] Seattle University, The University of Dayton, Syracuse University, and Oregon State University are among many universities around the country and world who have responded to relevant moral and financial risks through divestment. Initial returns have been promising. Syracuse University's 2015 divestment of their $1.25 billion endowment has led to healthy returns since, including a 12% increase in 2017.[45] Oregon State University's endowment of $596 million has grown by about 8% since its fossil fuel divestment in 2017.[46] Beyond American universities, the diverse list of over 1,000 divested institutions is rapidly growing. The list includes, but is not limited to: Ireland, New York City, Cape Town, Oslo, the Rockefeller Brothers Fund, the British Medical Association, Amundi Asset Management, Caisse des Dépôts (the French public financial institution), the World Council of Churches, Caritas Internationalis (directly associated with the Vatican), KfW Group (Germany's development bank), Stockholm University, the Tate museums in the U.K., and Allianz insurance. [47] [48] [49] [50]

Counterargument: This financial success is over a relatively short period of time. No studies can definitively predict these returns will remain as strong in the future.

Whereas: While no returns are guaranteed, the risks in investing in the fossil fuel sector only increase with time. This is primarily due to the removal of subsidies[51], decreasing prices of alternative forms of energy, new carbon pricing[52] schemes, and the concept of stranded assets (previously discussed). A 2019 working paper by the International Monetary Fund (IMF) found that "...coal and petroleum together account for 85 percent of global subsidies. Efficient fossil fuel pricing in 2015 would have lowered global carbon emissions by 28 percent and fossil fuel air pollution deaths by 46 percent, and increased government revenue by 3.8 percent of GDP." [53] Additionally asserted is the fact that the United States provided $649 billion to fossil fuel subsidies in 2015, contributing to the global total of $4.7 trillion.[54] The

[44] Shilton, A.C., "These Three Colleges Stopped Investing in Fossil Fuels—One Year Later, Their Endowments Are Doing Just Fine."
[45] Rahnamay-Aza, Amir, "Financial Report 2017," Syracuse University, August 10, 2017.
[46] "Your Powerful Impact: The OSU Endowment," The Oregon State University Foundation, June 30, 2018.
[47] $11 Trillion and Counting, 350.org, 2019.
[48] 1,000+ Divestment Commitments, Fossil Free: Divestment.
[49] Leonardo Dicaprio Foundation, "Catholic institutions divest from fossil fuels," 2018.
[50] National Catholic Reporter, "Divestment from fossil fuels witness to our faith," 2018.
[51] Financial resources granted from the government to a specific industry in order to keep the prices low. The IMF study included both direct and indirect subsidies.
[52] Applying a cost to carbon pollution to urge polluters to reduce their emissions.
[53] International Monetary Fund, "Global Fossil Fuel Subsidies Remain Large: An Update Based on Country-Level Estimates," 2019.
[54] Ibid.

removal of these subsidies would increase the rate in which global energy markets shift towards renewable energy. In fact, Forbes found that renewable energy has already become cheaper than fossil fuels, even without subsidies.[55] As technological advances continue to drive renewable energy prices to plummet, these trends will only continue.[56] Additionally, carbon pricing mechanisms have already been implemented by forty countries and more local and national governments plan to adopt these policies in the future.[57] By making the fossil fuel industry absorb the negative social cost of carbon rather than the public, carbon pricing further restricts the industry's growth potential. Finally, sustainable investments have already proven successful in longer-term studies. An eighteen year study conducted by the Harvard Business School found that companies with strong sustainability policies outperformed companies with low sustainability standards, with a 4.8% above-average annual return.[58] An eleven year study found that the New York State Common Retirement Fund would have made an extra $22.2 billion had it divested from fossil fuels.[59]

Counterargument: The vast majority of institutions which have already divested had significantly less than 10.6% of their endowment in the fossil fuel industry. Creighton University therefore is a unique case and should not be compared to the majority of universities and institutions who only had to divest about 1-4%. The University of California school system, for example, divested 1.1% of their portfolio. [60]

Whereas: Creighton University's extremely high exposure to the fossil fuel industry only strengthens the divestment argument. The energy sector only makes up 5.4% of the S&P 500, meaning investing 10.6% in fossil fuels alone represents a unique case scenario.[61] Indeed, this makes full divestment relatively more difficult than other schools. This is why our proposal only calls for a 2% divestment within the next five years, and includes a constant re-evaluation process to monitor the success of this strategy. With regards to the University of California system, they divested a much larger amount ($150 million) over a much more ambitious timeline (1 month).[62] However, this divestment process began four years ago when exposures to oil and coal sands were sold.[63] It is also important to note that divestment was conducted for purely financial reasons, according to UC's investors.[64] In addition, it is relevant that public institutions are divesting without adhering to a Catholic, Jesuit mission or facing that moral imperative similar to that of Creighton University.

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[55] Ellsmoor, James, "Renewable Energy Is Now The Cheapest Option - Even Without Subsidies", Forbes, 2019.
[56] Dudley, Dominic, "Renewable Energy Costs Take Another Tumble, Making Fossil Fuels Look More Expensive Than Ever", Forbes, 2019.
[57] The World Bank, "Pricing Carbon".
[58] Eccles, Robert G., Ioannou, Ioannis, and Serafeim, George, "The Impact of Corporate Sustainability on Organizational Processes and Performance", Harvard Business School, 2013.
[59] Corporate Knights, "New York State Common Retirement Fund (NYSCRF) Pays $22B for Holding on to Fossil Fuel Stocks".
[60] LA Times, "Opinion: UC investments are going fossil free. But not exactly for the reasons you may think", 2019.
[61] Lemke, Tim, "What is the Weighting of the S&P 500", 2019.
[62] LA Times, "Opinion: UC investments are going fossil free. But not exactly for the reasons you may think", 2019.
[63] Ibid.
[64] Ibid.

Counterargument: Divestment is purely a symbolic act and has no tangible benefits. Retracting Creighton's estimated $60 million in the fossil fuel industry over an extended period of time will not stop climate change.

Whereas: Divestment has been a proven strategy for social change historically, specifically in contributing to the end of apartheid in South Africa.[65] The actions of one institution have the potential to create a domino effect across the world. Over $11 trillion has been committed to divest from fossil fuels globally already[66], prompting OPEC Secretary-General Mohammad Barkindo to state that the climate movement is "perhaps the greatest threat to our industry going forward." [67] Shell now lists the divestment movement as a material risk to its bottom line.[68] Additionally, the divestment movement is not about stopping climate change, but shifting markets enough to slow down the most adverse effects. Whether Creighton University participates in this movement or not, the movement itself will increase the risk of holding fossil fuel shares. Already, fossil fuels have been one of the worst performing industries in the S&P 500 over the past decade.[69]

Counterargument: Divestment is an inferior strategy to shareholder advocacy. By investing in morally objectionable companies, we can create change by advocating for more sustainable policies at shareholder meetings.

Whereas: While the strategy of shareholder advocacy has been partially effective in evoking change in some industries, it has historically proven ineffective with the fossil fuel industry. One of the most well-referenced examples of shareholder advocacy is Nike's establishment of a corporate committee and more transparent environmental policies in 2001 after shareholders complained about labor conditions.[70] This progress was only obtained because Nike did not have to alter their core business model. However, the core business model of fossil fuel companies is to burn their reserves, and shareholder advocacy cannot convince them of otherwise.[71] When resolutions are indeed passed, there is little legal enforcement to make sure agreements are executed.[72] Further, Creighton University has chosen the strategy of non-investmentment, rather than shareholder advocacy, on each of the other recommended categories of banned investments by the USCCB.[73] This strategy should be kept consistent, as to not contradict our own Investment Policy Statement.[74]

Counterargument: The automobile industry is still largely powered by fossil fuels, yet this proposal says nothing about automobiles. In fact, nearly every industry relies on fossil fuels. It is hypocritical to say we should divest from one industry but not another.

[65] Gethard, Gregory, "Protest Divestment and the End of Apartheid", Investopedia, 2019.
[66] $11 Trillion and Counting, 350.org, 2019.
[67] McGinn, Myo, "OPEC head: Climate activists are the 'greatest threat' to oil industry", Grist, 2019.
[68] "Shell Annual Report Acknowledges Impact of Divestment Campaign", 350.org, 2018.
[69] Sazillo, Tom and Hipple, Kathy "IEEFA report: Financial case builds for fossil fuel divestment," IEEFA, 2019.
[70] Anderson, Theo, "Storming the Corporate Castle: Does Shareholder Activism Work?" InTheseTimes, 2015.
[71] Nauman, Billy, "Sharp rise in number of investors dumping fossil fuel stocks," Financial Times, 2019.
[72] Anderson, Theo, "Storming the Corporate Castle: Does Shareholder Activism Work?" InTheseTimes, 2015.
[73] United States Conference of Catholic Bishops, "Socially Responsible Investment Guidelines".
[74] Creighton University Investment Policy Statement, page 9.

Whereas: It is true that almost all companies and individuals rely on the use of fossil fuels. However, the purpose of divestment is to take away political and financial power from fossil fuel companies whose current activities reflect plans to emit more greenhouse gases[75] than our climate system can manage.[76] A transition to a zero-carbon economy cannot occur without abandoning the fossil fuel industry's current business model. The automobile industry will still thrive in such an economy, because its core business model is to produce automobiles, not emit fossil fuels. The divestment movement is about changing the incentive structure for the entire economy. If this movement would have happened years ago, we would not rely as heavily on fossil fuels today.

Counterargument: This movement has happened too quickly for Creighton University to evaluate the financial implications.

Whereas: Creighton University's own 2013 Climate Action Plan states, "Some GHG [greenhouse gas] mitigation strategies have higher returns than typical market investments, providing options for funding strategy implementation while also benefiting the endowment." [77] This was cited as one of a number of potential ways Creighton University could increase revenues to finance its climate action plan (CAP).

Whereas: Investing 10.6% of our endowment in an industry which, if its goals of extracting all fossil reserves are met, will ensure a society inhospitable to human life is a scientific, economic, and moral catastrophe. If we are to believe what our own science departments are teaching us, it is clear that we have reached a point in the history of humanity that requires unprecedented, bold action in order to make the Earth livable for generations to come.

THEREFORE, BE IT ENACTED THAT…

Given that 10.6% of the University's total endowment is invested in the fossil fuel industry (as of May 2019), Creighton University should devise a plan 1) to immediately freeze any new investment in fossil fuel companies, 2) to divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds by 2025 – specifically, from the top 200 highest carbon emitting fossil fuel companies which hold the vast majority of the world's proven coal, oil, and gas reserves[78], given that this equates to about 2.0% of the endowment (as of May 2019), and 3) to consistently analyze and evaluate the returns with respect to the evolving market, with the ultimate goal to be fully divested from fossil fuel companies by the date which the University has reached full operational carbon neutrality. Creighton University should publicize this plan to act. If Creighton University should choose

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[75] Compounds that contribute to the greenhouse effect when emitted, thus directly contributing to global climate change.
[76] McGlade, Cristoph and Elkins, Paul, "The geographical distribution of fossil fuels unused when limiting global warming to 2 °C." *Nature*, 2015.
[77] Creighton University 2013 Climate Action Plan, page 39.
[78] Specifically, this is a list of 100 coal stocks and 100 oil and gas stocks ranked by the potential carbon emissions content of their reported reserves. The list can be found here.

not to devise such a plan, a public statement should be made giving apt moral and financial justifications for the decision.

Disclaimer: After several meetings with University administration, information necessary to design a robust divestment plan for the University has been withheld. Given that the University has kept some financial information confidential from students and the public, this referendum is limited by our knowledge of the specific allocation of the endowment. For example, we do not know the percentage of fossil fuel investments in commingled funds relative to direct investments. We also do not know any of the specific fossil fuel companies the university may or may not have direct investments in. However, we do know that 10.6% of the endowment is invested in direct extraction fossil fuel companies, according to University President Father Hendrickson (reported in May 2019). This figure is uncommonly high relative to other university endowments. Of this 10.6%, an estimated 2% was said to be invested in the top 200 highest emitting fossil fuel companies. Because we are limited in knowing the exact makeup of this figure, we have intentionally made our divestment proposal open and over an extended period of time. We have also included the suggestion of a constant evaluation process to monitor and assess this strategy's progress each year. Creighton's own Investing Committee would be responsible for devising a reinvestment plan. According to this referendum, investments may be re-allocated to any industry other than those which contradict Creighton University's own Investment Policy Statement.