

Resources Committee
AY 2008-2009

During this period, no new issues were referred to the Resources Committee.

The Committee revisited the issue of proxy voting, first reviewed in 2004-2005. The Committee met with representatives of PRINCO to determine the University's general approach to shareholder proxy issue and to better understand the University's role in proxy voting.

The Committee learned that a very small portion (in 2007-2008, less than 4%) of the University's portfolio is held in traditional stock accounts and most are held by funds in which Princeton invests. Because federal law prohibits fund managers from vote splitting, i.e., voting fractional shares of a fund's proxy ballots, Princeton's opportunity to vote stock proxies is extremely limited. Given the resources required to research, evaluate and track proxy issues, and the limited impact Princeton can have in voting proxies, the Committee acknowledged that proxy voting is not an efficient or effective mechanism for Princeton to affect change. However, the Committee did ask PRINCO to identify, retrospectively, proxy issues of a social nature which were addressed by companies in which Princeton held a direct voting interest.