

City of Portland
Socially Responsible Investments Committee

Bylaws

September 9, 2015

The Socially Responsible Investments Committee was adopted by City Council Resolution #37102 and approved by City Council on December 17, 2014. The committee's formation and charge were based on recommendations put forth by the Temporary Socially Responsible Investing Committee in a report accepted by Council on August 6, 2014.

Article I. Purpose

The purpose of the Socially Responsible Investments Committee is to make recommendations to City Council about corporate issuers for inclusion on, or removal from, the City's Corporate Securities Do-Not-Buy List.

Article II. Charge

The Committee will forward a recommendation for the Corporate Securities Do-Not-Buy List, which may include "no change," and explanatory report to City Council annually.

Recommendations must be made in accordance with social and values-based concerns established by Council as principles for consideration in the City's direct investment in corporate securities. The social and values concerns that City Council established are:

- Environmental concerns
- Health concerns including weapons production
- Concerns about abusive labor practices
- Concerns about corrupt corporate ethics and governance
- Concerns about extreme tax avoidance
- Concerns about exercise of such a level of market dominance so as to disrupt normal competitive market forces
- Concerns about impacts on human rights

These established principles may be amended by a subsequent City Council resolution. In making its recommendations, the Socially Responsible Investments Committee will consider and balance a company's practices as a whole, including the seriousness of concerns about any business practice and whether the company's practices involve more than one of the social and values principles established or later amended by City Council.

Article III. Membership

Section 1. Committee Composition

The membership of the Committee is confirmed by City Council. Membership will consist of seven public members who are reflective of the diversity of the Portland, and who possess expertise in environmental and conservation issues, labor practices, corporate ethics and governance, corporate taxation, public health and safety, and business.

Section 2. Appointment

Each City Commissioner nominates one Committee member with the remaining seats nominated by the Mayor.

Section 3. Membership Terms of Office

Initial terms of Committee members will be one or two years, regular terms of Committee members will be two years, and any individual may serve no longer than four consecutive years.

Section 4. Conflict of Interest

Committee members will sign a conflict of interest form.

Article IV: Decision Making

The decision making model will be determined by the group at the first meeting and may include consensus, voting, or a combination of the two.

If voting, a majority of those in attendance will be used.

As determined by the committee on 09/09/2015: Decisions would ideally be made by consensus. If consensus is not reached, the committee will take a vote. Minority voices will be included in notes and reports in cases of non-consensus.

Article V. Recommendations to Council

Section 1: Recommendation requirements

The Committee must submit recommendations for the Corporate Securities Do-Not-Buy List to Council once per calendar year and no later than October 1. This may include a recommendation of “no change.” An explanatory report will be included with the recommendations.

Section 2. Research Report and Financial Information

In making its recommendations to City Council, the Committee will consult any reports and data procured by the City from a research firm specializing in providing company-specific information about business practices relevant to social- and values-based criteria. The City Treasurer will identify and procure research that best addresses the socially responsible investment principles established by City Council. The Committee may identify and use additional research beyond research purchased by the City.

Before recommending that City Council add a company or industry to the Corporate Securities Do-Not-Buy List, the Committee will receive and consider an analysis of the financial impact to the City's investment portfolio prepared by the City Treasurer.

Section 3. Proprietary Information

Committee members will not disseminate any proprietary research reports and/or data entrusted to them in the course of their duties. Members will use this information solely for the purposes of informing recommendations about the Corporate Securities Do-Not-Buy List and not for any other reason.

Members will sign a non-disclosure agreement before receiving proprietary information.

Article VI. Meetings

Section 1. Regular Meetings

The Socially Responsible Investments Committee will establish its own meeting schedule but must meet at least twice a year.

Section 2. Committee Meeting Facilitation

Staff from the Office of Management and Finance Business Operations Division will facilitate Committee meetings and provide subject matter and technical support in the area of public involvement. The City Treasurer will provide the Committee subject matter and technical support with respect to the City's investment policies and practices.

Section 3. Conduct of Meetings

A majority of Committee members will constitute a quorum for voting at meetings.

Portland's Office of Management and Finance staff will be responsible for facilitating meetings, taking meeting notes, and establishing and distributing the meeting agendas, notes and other materials.

As determined by the committee on 09/09/2015: Each meeting will include updates from committee members about any conversations with media or others that took place between meetings. Committee members are individually responsible for their own comments to media and others.

Section 4. Input from the Public

Any regular meeting is open to any person. Public comment will be taken during regular meetings as an agenda item. Only Committee members may participate in the meetings; this includes voting. Written public comments will also be accepted and distributed to Committee members. Proprietary documents subject to a nondisclosure agreement and an exemption in Oregon's public records law discussed and/or reviewed at meetings will not be provided to the public.

Article VII. Amendments to Bylaws

The Committee will establish bylaws in accordance with Council resolutions and govern accordingly.

Adoption of and amendments to the bylaws will require a majority vote.