

LOUISIANA BOARD OF REGENTS

ENDOWED PROFESSORSHIPS

PROGRAM POLICY

Adopted: January 25, 2007

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Effective Date: July 1, 2017

ENDOWED PROFESSORSHIPS PROGRAM POLICY

TABLE OF CONTENTS

I.	Preamble	1
II.	Policy Effective Date	1
III.	Definition and Uses of Endowed Professorships	1
IV.	Public Posture of BoRSF Match	1
V.	Eligible Campuses	2
VI.	Allocation of BoRSF/Legislative Matching Funds	2
VII.	Vacancies and Retention of State Matching Funds	4
VIII.	Campus Internal Standards and Processes	5
IX.	Annual Submission of Requests for Matching Funds	5
X.	Resubmission of Unmatched Applications	6
XI.	Board Encouragement of Use of Non-State Funds Without State Match	7
XII.	Statewide Principles and Guidelines for Operation of Endowed Professorships	7
XIII.	Sharing of Donor/BoRSF Restrictions	7
XIV.	Interaction Between the Campus and Donor	8
XV.	Changes in Endowment Purpose	8
XVI.	Plans to Address Necessary Revisions	9
XVII.	Crediting the Board of Regents Support Fund	9
XVIII.	Recognition of Endowed Professorships Participants	9
XIX.	Investment of Endowed Professorships Funds	9
XX.	Allocation of Earnings for Expenditure	9
XXI.	Faculty Expenditure of Available Funds	10
XXII.	Accountability Measures	10
XXIII.	Reporting to Faculty Holder and Academic Administration	11
XXIV.	Availability of Records	11
XXV.	Request for Waiver	11

Appendix A. Template: Donor Statement of Understanding

BOARD OF REGENTS SUPPORT FUND ENDOWED PROFESSORSHIPS SUBPROGRAM POLICY

I. PREAMBLE

In 1990-91, the Board of Regents (BoR) established the Board of Regents Support Fund (BoRSF) Endowed Professorships subprogram, patterned after the successful Endowed Chairs for Eminent Scholars subprogram, to strengthen instruction and research across a diverse array of campuses. Since its inception, the Endowed Professorships subprogram has operated as a non-competitive opportunity for campuses to receive State match of donor contributions. BoR fulfills all obligations and commitments to the Endowed Professorships subprogram by funding matches in accordance with Support Fund plans and budgets as approved annually by the Legislature and Governor.

II. POLICY EFFECTIVE DATE

The effective date of this policy is July 1, 2017.

III. DEFINITION AND USES OF ENDOWED PROFESSORSHIPS

Endowed professorships are established to help recruit and retain superior faculty aligned with the submitting campus's role, scope, mission, and strategic priorities. The recipient of an Endowed Professorship must be a faculty member whose research, teaching, and/or public service uniquely contributes to the mission(s) of their departments, their campuses, and the State. The Endowed Professorships subprogram is designed to further achievement of the constitutionally prescribed goals of the Support Fund: to enhance the quality of higher education and promote economic development in Louisiana.

IV. PUBLIC POSTURE OF BoRSF MATCH

BoR is constitutionally entrusted with the allocation of the Louisiana Quality Education Support Fund (Support Fund) toward four specific goals enumerated in La. Const. art. VII, §10.1(D). The Support Fund is a constitutional dedication to promote excellence in higher education and enhance economic development through a set of specified purposes, which include the endowment of chairs and professorships. In accordance with the constitutional parameters and restrictions, BoR through the Support Fund provides State funds to match non-State endowments.

The public dollars provided as match to endowments do not lose their public character and function, even when entrusted to or managed by a non-public entity or matched to a private donor's contribution. The endowed professorships toward which BoR is authorized to allocate public funds must be used within a reasonable period of the State match and consistently over time to achieve the specific goal of attracting eminent scholars to foster economic development. An endowment created through a non-State donation matched by State dollars is not simply a fund held by a university-affiliated foundation or other managing entity, as such funds being held are not required to serve a specific public purpose distinct from the institutional mission.

Accordingly, Support Fund policies restrict the use and investment of such funds to ensure all related activities serve the purposes for which Support Fund money may be expended. Should the public funds contributed for these purposes not be used to accomplish the mandated goals of the Support Fund and/or address specific BoR policy requirements, such funds and all associated earnings shall be subject to revocation by BoR. All agreements and arrangements related to the non-State funds are strictly the obligation of the original donor, his/her successors, and the campus; no private agreement or act of donation shall contravene or supersede State constitution and laws, and any BoR policy adopted in accordance therewith. To that end, all institutions and their affiliated foundations shall fully inform private donors of the purpose of the donation, initial and subsequent time periods within which a State-matched donation must be put to use, the possible reversion of the State match if it is not put to use within that time period, and the options available to the donor should such reversion occur.

V. ELIGIBLE CAMPUSES

All Louisiana public institutions of higher education and those independent institutions which are members of the Louisiana Association of Independent Colleges and Universities (LAICU) are eligible to participate in the Endowed Professorships subprogram.

VI. ALLOCATION OF BoRSF/LEGISLATIVE MATCHING FUNDS

A. BoRSF Matches

1. **Matching Funds**: State funds will be provided at a ratio of 80% non-State to 20% State match with the following provisions:
 - a. For each \$20,000 State match requested, a minimum \$80,000 non-State contribution is required. While a non-State contribution may exceed \$80,000, State match will be provided only in indivisible \$20,000 increments.
 - b. Campuses with fewer than fifteen (15) Endowed Professorship slots matched by the BoRSF may request matches at a ratio of 60% non-State to 40% State. For such requests, State match will be provided only in indivisible \$40,000 increments. Once a campus has received State match for fifteen (15) Endowed Professorship slots, that campus will be eligible only for the 80% non-State/20% State ratio.
 - c. Campuses and foundations should ensure donors are aware that the full non-State contribution must be on deposit to be eligible for BoRSF matching. Should a donor wish to contribute and the campus choose to accept funds incrementally over time toward a BoRSF-eligible endowment, such contributions shall not be recognized or matched until the full required amount has been deposited. If BoR programs or policies change during the period in which the donor is building a contribution for match, that contribution shall be considered for match under the program(s) and policies in place at the time the non-State contribution is completed and the campus's request for BoRSF match is submitted to BoR.
2. **Funding Guarantees**: The subprogram guarantees Support Fund assistance to annually fund two (2) \$20,000 matches to establish two (2) \$100,000 professorships per year for each eligible campus. Annual funding guarantees per institution are contingent upon compliance with policy requirements

related to maximum vacancy rates and numbers of full-time equivalent (FTE) faculty employed by institution (see Sections VI.A.3-4 of this policy, below).

3. Eligibility for Annual Matching Based on Vacancy Rates: If a campus's percentage of vacancies of greater than two years' duration in the Endowed Professorships subprogram exceeds 20%, that campus shall not be eligible to submit requests for additional Endowed Professorships matches during that year.¹
 4. Eligibility for Matching Based on Full-Time Equivalent Faculty: The number of BoRSF-matched endowed professorships on a campus shall not exceed the number of FTE faculty, defined as all full-time equivalent faculty employed by the institution (including instructional, clinical, research, adjunct and visiting faculty).² Should the number of BoRSF-matched endowed professorships exceed the number of FTE faculty on a campus during a submission year, additional new BoRSF matches shall not be provided in that year.
 5. Eligibility for Matching Based on Academic Unit Faculty Count: The number of BoRSF-matched endowed professorships in an academic unit (department, center, college, etc.) shall not exceed its number of FTE faculty, defined as all full-time equivalent faculty assigned to the academic unit. Should the number of BoRSF-matched endowed professorships exceed the number of FTE faculty in an academic unit during a submission year, additional new BoRSF matches shall not be provided in that year.
- B. BoRSF Funding for Additional Slots: Campuses may submit applications for match in addition to that guaranteed by BoR and may receive additional matches beyond guaranteed slots if one or more campuses submit fewer than their guaranteed applications. While BoR has no responsibility to recognize or match applications submitted in excess of guarantees, any unmatched slots may be funded for campuses through this arrangement. Should BoR approve additional slots through this proviso, BoR shall determine the most appropriate allocation of such funds.
- C. Supplemental Legislative Funding: In the event that supplemental State appropriations to match endowed professorships (as well as chairs and scholarships) are forthcoming, BoR shall determine the most appropriate allocation of such funds.

¹ A campus's percentage of endowed professorship vacancies longer than two years shall be calculated as the number of matched slots reported as unfilled for longer than two years divided by the total number of slots matched at the campus. The duration of an endowed professorship vacancy shall be calculated from August of the academic year following the departure of the most recent professorship holder or, in the case of new or not-yet-filled professorships, from August of the calendar year in which Board match was provided. Endowed professorships accounts with market values below corpus are excluded from policy formulae related to vacancy rates.

² FTE faculty counts by institution shall be required in annual endowment reporting. With the permission of the donor(s), multiple individual endowed professorships slots may be combined into a single professorship for assignment to a faculty recipient. If consistent with donor intent and not explicitly prohibited by the donor, donor permission for such combinations shall not be required under the following circumstances: 1) the donor is deceased; 2) the donor has in writing indicated that the campus may make appropriate changes at its discretion; and/or 3) despite a good-faith effort, the donor's contact information could not be located.

VII. VACANCIES AND RETENTION OF STATE MATCHING FUNDS

BoRSF faculty endowment programs are designed to provide matching resources to non-State donations, the earnings from which support the productivity and performance of superior faculty. Persistent vacancies are not in the interest of participating campuses and faculty nor supportive of BoRSF constitutional and program goals. Vacancies also do not serve the intent of the non-State donor, to the extent that the donor expects the contribution to support faculty work. In addition, they sequester significant State resources – corpus and earnings – during the period of vacancy, severely limiting any impact these funds might have, especially in view of sharply declining State support for higher education. The following provisions are made to ensure that endowments matched by the State are needed, useful, and representative of campus priorities, as reflected in their consistent use; if an endowment is not consistently used, State funds should be freed to be applied to other priorities.

For endowments matched in FY 2016-17 or later, if the faculty endowment has not been filled within four years after provision of BoRSF matching or three years following departure of the most recent faculty holder of the endowment, the campus shall submit for BoR approval a written request and justification to retain the matching funds, along with an account of activities undertaken since the vacancy occurred to fill the faculty endowment, problems and barriers encountered, and plans and a timeline to appoint a faculty holder. Such request shall be submitted to the Deputy Commissioner for Sponsored Programs and assessed by both Sponsored Programs staff and the Commissioner of Higher Education, with staff recommendations forwarded to BoR, which has sole authority to grant final approval. If the campus does not act as approved to fill the slot, the campus shall return matching funds and associated unexpended principal and earnings to BoR. BoR reserves its right to seek a return of the match only in this circumstance or where it finds that the endowment becomes unusable as described in the paragraph below.

For endowments matched prior to FY 2016-17 and vacant for more than two years, the campus shall notify the non-BoRSF donor of the duration of the vacancy along with plans, if any, to fill the vacancy within the next two years, and request that the donor indicate how he/she wishes to proceed. Based on documentation retained by the campus, the campus's annual fiscal report for each affected endowment shall certify that the donor is aware of current policies governing vacancies as well as indicate the donor's preferred course of action and a timeline for implementation of the action plan or account of progress toward implementation if a multiyear plan is underway. If the donor prefers to redirect the original non-State contribution and/or earnings to an activity not permissible under BoRSF endowment programs, the campus shall submit for BoR approval a plan to redirect the BoRSF share to a BoRSF-eligible endowment category to fund a donor contribution awaiting State match. In the event that the endowment becomes unusable (e.g., the associated academic program ceases to exist and the donor does not agree to redirect the original non-State contribution to a category eligible for BoRSF match), the campus shall return the BoRSF matching funds, with associated unexpended earnings, as soon as possible after the circumstance becomes known. BoR reserves its right to seek a return of the match only where it finds the BoRSF funds have become unusable for their intended purpose and no other acceptable use – repurposing the endowment or redirecting matching funds to an eligible endowment category – can be identified.

VIII. CAMPUS INTERNAL STANDARDS AND PROCESSES

- A. Required Submission: To be eligible to participate in the Endowed Professorships subprogram, each campus with existing State-matched professorships and/or new applications for match in FY 2012-13 shall submit by March 31, 2013 a document defining (1) its internal standards for selecting faculty recipients of endowed professorships; and (2) its internal processes for implementing these standards and monitoring compliance.³ While campuses are required to submit the document only once, standards and practices may be updated annually by March 31.
- B. Delayed Submission and Eligibility: In subsequent funding cycles, campuses without internal standards and processes on file that plan to submit applications for match through the Endowed Professorships subprogram shall forward the document to BoR by March 31 of the year in which match is requested.
- C. Applicability of Internal Standards and Processes: Beginning March 31, 2013, each affected campus shall fill any vacancies in State-matched professorships using these internal standards and processes.

IX. ANNUAL SUBMISSION OF REQUESTS FOR MATCHING FUNDS

- A. Application Elements: Annual applications to the Endowed Professorships subprogram must include the following:
 - 1. Annual Letter and Rank Order List: Each year, along with its individual applications, an eligible campus requesting funds through the Endowed Professorships subprogram shall submit a cover letter signed by the President or Chancellor of the campus listing all applications in rank order of funding priority and requesting appropriate matching funds during the current funding cycle.
 - 2. Individual Applications for Match: Each individual application for Endowed Professorships match shall be comprised of six (6) documents:
 - a. A brief statement, not to exceed three pages, defining the need for the professorship, its intended purpose, alignment of the professorship with the campus's role, scope, mission, and strategic priorities, selection criteria for the holder, and minimum standards of performance for the holder's retention of the professorship. The statement must include as an appendix (not within the three-page limit) the total number and list by individual slot of existing BoRSF-matched professorships and/or professorship holders assigned to the academic unit in which the new slot is requested.
 - b. An authenticated statement, notarized in the presence of two witnesses, which shall indicate that the campus has in good faith satisfied the requirements of the Board of Regents Endowed Professorships subprogram policy related to the Definition and Purpose of the subprogram, and describing how campus standards and processes will be used to select the professorship holder.

³ Standards must reflect one or both of the Constitutional goals of the Support Fund: to improve the quality of education and/or enhance economic development.

- c. An affidavit from the financial institution in which the non-State matching funds are held verifying that the participating campus has received and deposited non-State matching funds in at least the minimum amounts set forth in Section VI.A.1.a-b , and that the funds received and deposited meet all eligibility requirements of the Endowed Professorships subprogram policy.
 - d. A Statement of Understanding executed by the donor(s) and the campus certifying that the donor(s) has been informed of Board of Regents and campus policies and practices relative to the Endowed Professorships subprogram. (See template in Appendix A.)
 - e. A detailed summary of all terms, inclusive of but not limited to conditions and restrictions related to disposition of endowment earnings, selection and retention of faculty holder(s), and intent of the endowment, set forth in any agreement(s) with non-State donor(s) specific to the endowment submitted for State match (see Section XIII).
 - f. Documentation via official minutes of the relevant management or governing board of the participating campus that the board has granted approval for the establishment of the endowed professorship to be supported by the proceeds of the non-State contribution and the requested State match.
- B. Acceptance of Applications and Deadlines: Applications for match must be received by the Board of Regents by 4:30 p.m. Central time on March 31 for each funding cycle. Should March 31 fall on a Saturday, Sunday, or State holiday, the deadline shall be extended to 4:30 p.m. Central time of the next working weekday. Submissions after March 31 will be held until the next funding cycle.

One copy of the cover letter and original documents for each new application shall be submitted as follows:

U.S. Mail	UPS, Federal Express, Hand-Delivery
Endowed Professorships Subprogram c/o Deputy Commissioner for Sponsored Programs Louisiana Board of Regents P. O. Box 3677 Baton Rouge, LA 70821-3677	Endowed Professorships Subprogram c/o Deputy Commissioner for Sponsored Programs Louisiana Board of Regents 1201 North Third Street, Suite 6-200 Baton Rouge, LA 70802

X. RESUBMISSION OF UNMATCHED APPLICATIONS

Endowed Professorships applications that were submitted in a previous year but not matched may be resubmitted without the above-referenced supporting documentation (Policy Section IX.A.2.a-d), which is kept on file by BoR. The rank-order list provided in the cover letter from the campus president or chancellor (Policy Section IX.A.1) must include all previous and new submissions for which matching is requested; only those submissions included in the annual rank-order list will be eligible for match during the funding cycle.

XI. BOARD ENCOURAGEMENT OF USE OF NON-STATE FUNDS WITHOUT STATE MATCH

Campuses, foundations, and donors are encouraged and urged to help alleviate the Endowed Professorships backlog and address budgetary issues by acting as follows:

- A. For \$60,000 donations awaiting State match, arrange to spend income accumulating from non-State funds to address current faculty and departmental needs; and
- B. Endow professorships entirely through non-State funds by combining unmatched \$60,000 donations.
- C. If a donor match generates income in addition to the principal contribution prior to provision of the State match, the campus and donor may, at their discretion, determine ways to expend such income. To be eligible for State match, however, the principal must remain whole.

XII. STATEWIDE PRINCIPLES AND GUIDELINES FOR OPERATION OF ENDOWED PROFESSORSHIPS

The following standards and principles listed below shall guide subprogram practices across all campuses. In addition to these statewide principles, each respective campus's internal standards and processes, on file with BoR, shall govern subprogram operation:

- A. Professorships shall be awarded to faculty recipients for terms of one year or more; only under special circumstances shall a professorship be awarded for a term of less than one year.
- B. Except under extenuating circumstances, as approved by the Commissioner of Higher Education, no more than two years shall elapse from the provision of State match to its award by the campus. If an endowed professorship should become vacant, the same rule shall apply.
- C. The impact of an endowed professorship is seriously diminished when shared among two or more faculty members. The institution shall not divide a single professorship among multiple recipients except in special circumstances, as approved by the Commissioner of Higher Education.
- D. Except in special circumstances, as approved by the Commissioner of Higher Education, income generated from an endowed professorship shall be designated specifically for the use of the faculty member holding the position, not for the general discretionary use of departments or the campus.
- E. Campus officials shall have the primary and final responsibility to select and appoint professorship recipients.

XIII. SHARING OF DONOR/BoRSF RESTRICTIONS

To certify that all contributing parties to each faculty endowment understand the conditions under which it is to be established and maintained, beginning with the FY 2016-17 match requests the campus shall furnish as part of the submission a detailed summary of all terms, inclusive of but not limited to conditions and restrictions related to

disposition of endowment earnings, selection and retention of faculty holder(s), and intent of the endowment, set forth in any agreement(s) with non-State donor(s) specific to the endowment submitted for State match. Upon BoR staff's request, any portion of donor agreement(s) directly related to purpose of and restrictions pertinent to endowments matched with State funds must be furnished to an auditor for review at the campus; BoR staff shall not make copies or remove from the campus documents immediately pertaining to donor agreements without campus permission. Such information reviewed by BoR staff shall be deemed confidential pursuant to La. R.S. 44:4.1 and La. R.S. 17:3390, and not subject to disclosure under La. R.S. 44:1 et seq. Under no circumstances will the campus or its representatives be required to furnish to BoR staff agreements or other documents not related to the endowment for which State match is sought. BoR reserves the right to refuse BoRSF matching funds for any donor funds subject to terms which contravene or conflict with BoR policies until such are resolved, or terms to which BoR staff is not given access to ascertain the donor's intent.

In addition, the donor statement of understanding shall indicate that the donor has received a copy of program and investment policies relevant to the appropriate BoRSF subprogram and understands the conditions under which the State provides and maintains endowment matching funds, shall be submitted as part of the request for match. A template for the donor statement is included in Appendix A.

XIV. INTERACTION BETWEEN THE CAMPUS AND DONOR

- A. For each endowed professorship matched by BoR, the institution shall annually provide to the donor, at a minimum, the following information: the status of the endowed professorship (vacant or filled), the current market value, and the amount allocated for expenditure in the most recently completed fiscal year.⁴
- B. Donor reporting shall not be required under the following circumstances: 1) the donor is deceased; 2) the donor has in writing requested no contact; and/or 3) despite a good faith effort, the donor's contact information could not be located.
- C. As feasible and appropriate, campuses shall develop and maintain other regular interaction with donors, including involvement of donors in award ceremonies and engagement of donors by faculty professorship holders.

XV. CHANGES IN ENDOWMENT PURPOSE

Provided the donor agreement(s) permits and subject to applicable legal restrictions, the non-BoRSF donor shall have the right to reallocate and/or change the purpose of the original non-State contribution in the following circumstances: (1) the campus has not adhered to the terms of the agreement with the donor or BoR policies; (2) the campus has not met its fiduciary duties, including the duty of care/prudence, duty to investigate, duty of loyalty/obedience, and duty to minimize costs, in management of the faculty endowment; and/or (3) the faculty endowment has remained vacant in excess of three years upon start-up or two years for subsequent appointments. If the donor wishes to redirect the original non-State contribution and/or earnings to an activity not permissible

⁴ A certification of compliance with this requirement, based on documentation retained by the campus, shall be included in the annual fiscal report to the Board of Regents. Compliance shall be attested to in the report provided by private or Legislative auditors.

under BoRSF endowment programs, the campus shall immediately return the BoRSF matching funds, with associated unexpended earnings, to BoR; disposition of earnings associated with the donor's reallocated contribution should be negotiated between the campus and donor.

XVI. PLANS TO ADDRESS NECESSARY REVISIONS

Higher education is constantly evolving in focus and priorities. To ensure endowments, which are intended to exist in perpetuity, can be responsive to changes in academic, scholarly, educational, and other areas related to the endowment's purpose, for all endowments matched in FY 2016-17 and later the donor agreement with the campus shall specify how endowment-related decisions will be made over the long term in the event that revisions are needed. If a faculty endowment becomes no longer useful to the campus (e.g., the related academic program is terminated) and the endowment cannot be adjusted to accommodate a current focus, the BoR reserves the right to redirect or withdraw the BoRSF matching funds.

XVII. CREDITING THE BOARD OF REGENTS SUPPORT FUND

Campuses shall ensure that all internal and external materials regarding the subprogram, including policies and procedures, news releases, and promotional materials, appropriately credit the BoRSF.

XVIII. RECOGNITION OF ENDOWED PROFESSORSHIPS PARTICIPANTS

- A. Board of Regents: BoR will annually honor campuses/donors that establish endowed professorships.
- B. Campuses: Campuses shall develop and maintain procedures to recognize endowed professorship holders and donors both internally and externally through such public announcements as media releases, campus newsletters, awards ceremonies, and web pages.

XIX. INVESTMENT OF ENDOWED PROFESSORSHIPS FUNDS

Campuses shall invest Endowed Professorships subprogram funds in accordance with the Louisiana Board of Regents Endowed Chair, Endowed Professorship, and Endowed Scholarship Programs Statement of Investment Policy and Objectives.

XX. ALLOCATION OF EARNINGS FOR EXPENDITURE

The total market value of the endowment fund shall not exceed 125% of corpus at the end of any fiscal year in which the Endowed Professorship is filled unless the campus has sought and been granted prior approval from the Board of Regents to retain and grow earnings for a specific purpose (e.g., a major equipment purchase). For Professorships matched prior to FY 2017-18, campuses shall have five years from the effective date of this policy to become fully compliant with this provision; if additional time is needed, the Board will consider formal requests for extension on a case-by-case basis. All expenditures must meet the policy provisions of policy section XXI and provide meaningful academic and/or research support for the faculty holder.

If an Endowed Professorship is vacant, revenues shall be placed in an expendable account for each year of the vacancy. Market value at the end of the fiscal year shall be determined by the total amount held in the principal account, less any funds deposited for expenditure. Upon appointment to the Professorship, the next holder shall be notified of the expendable balance and provided with guidelines for use as well as BoR policies governing retention of expendable funds over time.

XXI. FACULTY EXPENDITURE OF AVAILABLE FUNDS

The purpose of BoRSF-matched faculty endowments is to provide a steady, permanent source of supplementary funding to support the faculty holder's professional academic and/or scholarly work. Accordingly, campuses must ensure that faculty holders expend available funds regularly and retain minimal amounts in expendable accounts; a spendable balance not to exceed 25% of the total market value of the endowment account may be retained for expenditure in a future year except in special circumstances (e.g., accrual of sufficient funds for a major equipment purchase or, as in recent years, excessive accrual of expendable earnings) as approved by BoR. This shall include all dollars allocated for expenditure, including any funds unspent at the end of a previous fiscal year. When the endowment is vacant, spending is not permitted beyond appropriate fees charged by the managing entity, though expendable amounts shall continue to be calculated and retained for expenditure by the holder, when appointed.

Earnings may be used by the faculty holder for any professional purpose related to the professorship as defined. Consistent with Constitutional restrictions on the BoRSF and BoR policies, a faculty holder's expenditures must be supplementary and enhancing in alignment with the defined purposes and goals of the professorship. Per Article VII, §10.1, no expenditures may "displace, replace, or supplant appropriations from the general fund...for higher education." Endowment earnings may not be used for general operational costs of the institution, college, or department, including repair and maintenance, construction and renovation, or standard office/laboratory equipment. If a cost or category of costs is typically borne by the campus, college, or department for non-endowed faculty, it should also be borne for an endowment holder. A campus, college, department or other entity receiving funds in violation of these expenditure provisions shall be required immediately upon discovery to reimburse the endowment's expendable account in the full amount disbursed.

XXII. ACCOUNTABILITY MEASURES

A. Campuses

For each matched professorship, the campus shall develop goals, objectives, and accountability measures appropriate to the department in which the faculty recipient resides (e.g., grant funding, publications, teaching, industrial ties, technology transfer, and other academic/economic development activities). Based on these accountability measures, campuses shall periodically, but not less than every three years, evaluate the progress of each professorship recipient relative to established goals and objectives.

B. Board of Regents

BoR shall periodically conduct a comprehensive review of the Endowed Professorships subprogram to determine the extent to which subprogram goals and objectives are being met and the impact of professorships at participating campuses and in the State.

XXIII. REPORTING TO FACULTY HOLDER AND ACADEMIC ADMINISTRATION

On at least an annual basis, the campus or its designated manager of faculty endowment accounts (e.g., the associated foundation) shall provide in writing the following information to the faculty endowment holder, the appropriate administrative head (department chair, center director, dean, etc.), and the campus's chief academic officer:

- Corpus value of the endowment(s) held
- Market value of the endowment(s) held, including any amount held in a principal account
- Total amount available for expenditure in the current year, and maximum spendable balance that may be carried forward in accordance with Board policy

The holder shall also be notified by the appropriate campus office of the permissible uses of expendable funds, the amount(s) and purpose(s) of funds allocated at the campus's discretion (e.g., salary supplements); the amount available for expenditure at the faculty holder's discretion, and policies relating to the cap on retention of expendable funds without BoR approval. Such notifications shall be timely, to permit the faculty holder sufficient time to plan for meaningful expenditure of funds during the year.

XXIV. AVAILABILITY OF RECORDS

The campus has the duty to fully cooperate with BoR and provide any and all specified programmatic and fiscal information, documentation, etc. related to matched endowed professorships to BoR when requested. This applies even if the professorship is rescinded or dissolved, and/or a lawsuit is filed. Specifically, the campus and any designated managers of endowed funds shall not limit or impede BoR's right to audit and shall not withhold documents related to BoRSF Endowed Professorships awards.

XXV. REQUEST FOR WAIVER

If a campus identifies acute and exceptional circumstances that warrant an exception to any provisions of the Endowed Professorships subprogram policy, a waiver may be formally requested in writing to BoR.

APPENDIX A

TEMPLATE: DONOR STATEMENT OF UNDERSTANDING

TEMPLATE
Endowed Professorships Subprogram
Donor Statement of Understanding

1. (I or We) have been fully informed and accept that the Board of Regents guarantees match for a maximum of two (2) endowed professorships per year for (Institution). Additional matches may be provided at the BoR's discretion, provided funds are available.
2. (I or We) have reviewed, understand, and accept the Program Policy and Investment Policy provisions relative to retention of corpus, principal, and expendable funds, expenditure of income, and other administrative conditions related to provision of BoRSF matching funds.
3. (I or We) have reviewed, understand, and accept (Institution's) internal standards and process for selecting faculty recipients of BoRSF-matched endowed professorships.

Donor or Donor Representative

Campus Representative