

LOUISIANA BOARD OF REGENTS

ENDOWED PROFESSORSHIPS
SUBPROGRAM POLICIES AND
GUIDELINES FOR MANAGEMENT AND
USE OF MATCHED ENDOWED FIRST-
GENERATION UNDERGRADUATE
SCHOLARSHIPS

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BOARD OF REGENTS SUPPORT FUND

ENDOWED PROFESSORSHIPS SUBPROGRAM POLICIES AND GUIDELINES FOR MANAGEMENT AND USE OF MATCHED 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.

I. POLICY EFFECTIVE DATE

The effective date of this policy is August 26, 2026.

II. SUBMISSION OF REQUESTS FOR MATCHING FUNDS

Applications for Endowed Professorships matching are guided by the separate Endowed Professorships Subprogram Eligibility and Match Request Submission Policy.

III. APPOINTMENT OF ENDOWED PROFESSORSHIPS FACULTY HOLDERS

- 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.

IV. 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, indicating 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 (see the Endowed Professorships Subprogram Eligibility and Match Request Submission Policy, Appendix A).

V. POST-MATCH 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.¹
- 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.

VI. 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

¹ 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.

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 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.

VII. 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.

VIII. 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.

IX. 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.

X. INVESTMENT OF ENDOWED PROFESSORSHIPS FUNDS

Campuses shall invest Endowed Professorships funds, inclusive of the non-state contribution and BoRSF matching, in accordance with the Louisiana Board of Regents Endowed Chair, Endowed Professorship, and Endowed Scholarship Programs Statement of Investment Policy and Objectives.

XI. ALLOCATION OF EARNINGS FOR EXPENDITURE

BoR recognizes that, consistent with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), endowments should preserve purchasing power and be protected against market downturns. It is not, however, consistent with the programmatic intent of BoRSF endowment programs or the Constitutional provisions establishing the Support Fund for excessive earnings to be retained as market value in these accounts. Accordingly, campuses shall maximize allocation of funds for expenditure and limit, within the bounds of prudence, retention and long-term investment of earnings within the account in

excess of the amount necessary to buffer against inflation. The entity selected by the campus to manage its endowment funds shall submit the annual distribution rate and disbursement/spending policy as adopted by its governing board or similar authority, and shall subsequently provide in annual fiscal reporting the actual dollar amount and percentage of market value allocated for expenditure to the campus or holder, as well as the amount expended. In most cases BoR expects the annual distribution rate to be 4% at a minimum, with a specific exception for an individual endowment when application of that distribution rate would reduce its market value below the original corpus. BoR reserves the right to request justification of disbursement rates and additional information about plans to restore annual distributions to higher levels when these fall below 4%.

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.

Under no circumstances may expendable earnings (i.e., all account funds not in the corpus) related to the BoRSF portion of endowment be used to create a new endowed fund, whether within or outside a BoRSF program. If a donor wishes that unexpended earnings on the donor portion only be repurposed to create a new endowment, any new endowed fund created through this action shall include no BoRSF funding, whether from the principal or earnings related to the state match, and shall be permanently ineligible, in whole or in part, from BoRSF matching in the future. This provision shall not be waived for any reason or purpose.

XII. 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 that must be reduced over time) 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.

XIII. 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.

XIV. 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.

XV. 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.

XVI. CONVERSION OF MATCHED ENDOWMENTS TO OTHER TYPES

Institutions may request to convert a BoRSF-matched endowment established in one program (e.g., Endowed Chairs) to another type (e.g., Endowed Professorships) provided the requirements of the program, including minimum match ratio and corpus as defined in program policies, are met. Conversions from programs with a 1:1 match ratio (e.g., Two-Year Workforce Scholarships) may require additional commitments from donors to reach the necessary ratio in the new program in order to be converted. Once an endowment is converted to another type, it is subject to all requirements for award, management, etc., included in the applicable program policies. Institutions are not limited in the number of times they can change an endowment from one type to another, but each conversion requires approval from the non-state donor, management board (for public institutions), and BOR.

In accordance with Board action in August 2011, endowments resulting from the conversion of an Endowed Chair shall be established in increments of no less than \$250,000. All endowments created through division of a Chair shall have a ratio of at least 60% non-state to no more than 40% BoRSF.

XVII. 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.

BOARD OF REGENTS SUPPORT FUND

ENDOWED PROFESSORSHIPS SUBPROGRAM POLICIES AND GUIDELINES FOR MANAGEMENT AND USE OF MATCHED ENDOWED FIRST-GENERATION SCHOLARSHIPS

The following standards and principles listed below shall guide subprogram practices related to endowed first-generation scholarships after BoRSF match has been provided. In addition to these statewide principles, each respective campus's internal standards and processes, on file with BoR, shall govern subprogram operation.

I. POLICY EFFECTIVE DATE

The effective date of this policy is August 26, 2026.

II. DEFINITION AND PURPOSE OF ENDOWED SCHOLARSHIPS

BoRSF-matched Endowed First-Generation Undergraduate Scholarships were established to increase college access and success for low-income and first-generation students. The objectives of these endowed scholarships are to enhance opportunities and quality of life for first-generation students with unmet financial need and to promote the economic development of Louisiana through education of its citizenry.

The Endowed Scholarships are intended to address the goals of the program as follows:

- To provide scholarships that will increase the access of first-generation students with unmet financial need to higher education opportunities in Louisiana;
- To provide eligible students with structured support through active and engaged advising; and
- To provide eligible students with meaningful employment during their education.

III. SUBMISSION OF REQUESTS FOR MATCHING FUNDS

The standalone BoRSF Endowed First-Generation Undergraduate Scholarships subprogram was suspended to new applications in FY 2017-18. BoR will continue to fund requests for matching received by the June 30, 2017 program suspension date until all requests have been completed. New applications may be submitted through the Endowed Professorships subprogram, and are guided by the separate Endowed Professorships Subprogram Eligibility and Match Request Submission Policy.

IV. INSTITUTIONAL GUIDELINES FOR OPERATION OF ENDOWED FIRST-GENERATION UNDERGRADUATE SCHOLARSHIPS

Given the diverse roles, scopes, and missions of campuses eligible to participate in the Endowed Scholarship program, the following standards listed below shall be continually in force:

- A. Each institution holding BoRSF-matched Endowed Scholarships shall maintain and appropriately disseminate a well-articulated set of Endowed Scholarship program policies and procedures.
- B. Student recipients must meet the following criteria:
 - Louisiana residents;
 - First-generation college students (i.e., neither custodial parent(s) nor legal guardian(s) have earned a college degree) with remaining financial need after deducting Estimated Family Contribution (EFC) and all federal/state/institutional grant or scholarship aid (“gift aid”) from student's Cost of Attendance (COA) and/or students, whether first-generation or not, awarded the federal Pell grant; and
 - Admitted to and matriculated in the institution awarding the scholarship for the period(s) during which scholarship funds are disbursed.
- C. Institutional officials shall have the primary and final responsibility to determine scholarship recipients within the guidelines set forth in this policy.
- D. Interest earnings from the endowed corpus will be awarded to qualified scholarship recipients and may be divided among multiple recipients, provided that each student recipient at a four-year institution receive at least \$1,000 and each student recipient at a two-year institution at least \$500 per year in program funds.
- E. In addition to scholarship proceeds, the institution must provide student recipients with structured support through active and engaged advising.
- F. Institutions will provide students with campus employment of at least 10 hours per week over and above the scholarship.¹ Off-campus employment may substitute for campus employment provided the following criteria are met:
 - The student works at least ten hours per week;
 - The rate of pay is equal to or greater than pay for an equivalent job on campus; and
 - The off-campus employment is directly or indirectly relevant to and supportive of the student’s post-degree career plans and/or field of study.

The campus shall have discretion to determine the relevance of any external employment requested by the student and grant permission to replace on-campus with off-campus work. The campus shall retain in its permanent files related to the endowed scholarship supporting documentation for all external employment requests and related campus actions and make these available upon request.

¹ The on-campus work requirement is intended to embed the student in the culture of the campus, as well as to provide additional guaranteed funding for scholarship recipients, who have documented financial need. Only under special circumstances and with strong justification should a campus allow a student to decline on-campus employment in favor of an off-campus job. Conditions for off-campus employment outlined in the program policy are considered the minimum necessary for a campus to consider approval substitution for on-campus employment.

V. INTERACTION BETWEEN THE CAMPUS AND DONOR

As feasible, institutions shall develop and maintain interaction between the campus and donors, including annual program reports to the respective donors and involvement of donors in awards ceremonies.

VI. CREDITING THE BOARD OF REGENTS SUPPORT FUND

Participating institutions shall ensure that all internal and external materials regarding the program, including campus procedures, news releases and promotional materials, appropriately credit the Board of Regents Support Fund and the State of Louisiana.

VII. RECOGNITION OF ENDOWED SCHOLARSHIP RECIPIENTS

Participating institutions shall develop and maintain procedures to recognize Endowed Scholarship recipients both internally and externally through such public announcements as media releases and campus newsletters; awards ceremonies; a listing of endowed scholarships on relevant web pages; and other appropriate means.

VIII. INVESTMENT OF ENDOWED FIRST-GENERATION UNDERGRADUATE SCHOLARSHIP ENDOWMENTS

Participating institutions shall invest matched Endowed Scholarship funds in accordance with the Louisiana Board of Regents Endowed Chair, Endowed Professorship, and Endowed Scholarship Statement of Investment Policy and Objectives.

IX. ALLOCATION OF EARNINGS FOR EXPENDITURE

BoR recognizes that, consistent with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), endowments should preserve purchasing power and be protected against market downturns. It is not, however, consistent with the programmatic intent of BoRSF endowment programs or the Constitutional provisions establishing the Support Fund for excessive earnings to be retained as market value in these accounts. Accordingly, campuses shall maximize allocation of funds for expenditure and limit, within the bounds of prudence, retention and long-term investment of earnings within the account in excess of the amount necessary to buffer against inflation. The entity selected by the campus to manage its endowment funds shall submit the annual distribution rate and disbursement/spending policy as adopted by its governing board or similar authority, and shall subsequently provide in annual fiscal reporting the actual dollar amount and percentage of market value allocated for expenditure to the campus or holder, as well as the amount expended. In most cases BoR expects the annual distribution rate to be 4% at a minimum, with a specific exception for an individual endowment when application of that distribution rate would reduce its market value below the original corpus. BoR reserves the right to request justification of disbursement rates and additional information about plans to restore annual distributions to higher levels when these fall below 4%.

Endowed First-Generation Scholarships should remain in constant use except when no student is eligible to receive scholarship support or the market value of the account is below corpus or insufficient to provide the minimum support required in this policy. If an Endowed First-Generation Scholarship is vacant, revenues shall be placed in an expendable account for each year of the vacancy unless the account is below corpus. 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.

Under no circumstances may expendable earnings (i.e., all account funds not in the corpus) related to the BoRSF portion of endowment be used to create a new endowed fund, whether within or outside a BoRSF program. If a donor wishes that unexpended earnings **on the donor portion only** be repurposed to create a new endowment, any new endowed fund created through this action shall include no BoRSF funding, whether from the principal or earnings related to the state match, and shall be permanently ineligible, in whole or in part, from BoRSF matching in the future. This provision shall not be waived for any reason or purpose.

X. ACCOUNTABILITY MEASURES

- A. Campuses: For each matched scholarship, the campus shall develop goals, objectives, and accountability measures appropriate to the scholarship as defined by the donor, the institution, and BoR. Based on these accountability measures, the award process should be regularly assessed to ensure that the endowment is functioning as intended and meeting program goals.
- B. Board of Regents: BoR shall periodically conduct a review of Endowed First-Generation Undergraduate Scholarships to determine the extent to which subprogram goals and objectives are being met.

XI. 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 BoRSF-matched endowed scholarships to BoR when requested. This applies even if the scholarship 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 Scholarships awards.

XII. CONVERSION OF MATCHED ENDOWMENTS TO OTHER TYPES

Institutions may request to convert a BoRSF-matched endowment established in one program (e.g., Endowed Chairs) to another type (e.g., Endowed Professorships) provided the requirements of the program, including minimum match ratio and corpus as defined in program policies, are met. Conversions from programs with a 1:1 match ratio (e.g., Two-Year Workforce Scholarships) may require additional commitments from donors to reach the necessary ratio in the new program in order to be converted. Once an endowment is converted to another type, it is subject to all requirements for award, management, etc., included in the applicable program policies. Institutions are not limited in the number of times they can

change an endowment from one type to another, but each conversion requires approval from the non-state donor, management board (for public institutions), and BoR.

XIII. REQUEST FOR WAIVER

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