

FCR 8

Office of the President
September 17, 2002

Members, Board of Trustees:

ESTABLISHMENT OF ARTS AND SCIENCES
QUASI-ENDOWMENT FUND

Recommendation: that the Board of Trustees approve the establishment of the Arts and Sciences Quasi-Endowment to provide undergraduate scholarships and general support of the programs in the College of Arts and Sciences.

Background: In 1973, the College of Arts and Sciences established the Arts and Sciences Development Fund with gifts received from multiple donors. This Fund, later renamed the Arts and Sciences Academic Excellence Fund, has been invested annually in the University's short-term investment program. Interest earnings and a portion of the gifts have been used for undergraduate scholarships and other program needs of the College. The fund has a current balance of \$411,402.

Dr. Howard Grotch, Dean of the College of Arts and Sciences, has requested that \$350,000 of the current balance in the Arts and Sciences Academic Excellence Fund be transferred to the Endowment in order to achieve a longer-term perspective for investment purposes. The initial principal of \$350,000 will generate annual spending distributions of approximately \$17,500.

Dean Grotch also requests the authority to make future transfers to the Quasi-Endowment from the Academic Excellence Fund as new gifts are received.

Action taken: Approved Disapproved Other _____