



NORTH CAROLINA SCHOOL OF
SCIENCE AND MATHEMATICS

Title	ENDOWMENT FUND OF THE NORTH CAROLINA SCHOOL OF SCIENCE AND MATHEMATICS
Authority	Board of Trustees
History	Effective July 1, 2007
Legal Reference	BOG 600.2.1.2[G] Guidelines on Creating and Operating Endowment Funds; BOG 600.2.1.1[G] Guidelines on Expanding Membership of Boards of Trustees of Institutional Endowment Funds; <i>The Code</i> of the University of North Carolina 704
Additional References	G.S. 116-36
Responsible Offices	Chancellor, Vice Chancellor for Finance and Operations, Vice Chancellor for Institutional Advancement
Classification	6200

1. INVESTMENT BOARD

Pursuant to the authority granted by the Board of Governors of the University of North Carolina by Resolution dated April 11, 1974, regarding the acquisition, management and disposition of endowment properties and the income therefrom, the Board of Trustees hereby elects to establish and maintain an endowment fund by appointing an investment board to be known as the Board of Trustees of the Endowment Fund of the North Carolina School of Science and Mathematics (herein referred to as the “Endowment Board” of the “Endowment Fund”).

- 1.1. The Endowment Board shall be an agency of the Board of Trustees of the School and shall have the powers and duties prescribed in section 2.
- 1.2. The Endowment Board shall consist of no fewer than six members and no more than nine members. The Chancellor, the Chair of the Board of Trustees of the School, and the Chair of the Development Committee shall serve as voting *ex officio* members of the Endowment Board. The remaining members may be (but need not be) members of the Board of Trustees of the School and shall be elected by the Board of Trustees of the School for overlapping terms of three years each. To establish a rotation, the terms of the initial members of the Endowment Board shall be for one, two, and three years each. All elections thereafter shall be for a regular term of three years, except that any person elected by the Board of Trustees of the School to fill a vacancy created otherwise than by the expiration of a term shall be elected to serve the remainder of the term of the person whom s/he succeeds. The Chair of the Board of Trustees of the School, after consultation with the Chancellor, shall make recommendations to the Board of Trustees of the School for filling any vacancy on the Endowment Board.

1.3. The Chair of the Board of Trustees of the School shall be *ex officio* the Chair of the Endowment Board.

2. POWERS AND DUTIES

2.1. The Endowment Board may receive gifts, devises, and bequests. They may in their discretion retain such properties in the form in which they are acquired and may use then as a permanent Endowment Fund. They may acquire and retain in the permanent Endowment Fund any other monies or securities of any kind that may come to them from the Board of Governors of The University of North Carolina or from any other source, excepting always the monies received from State appropriations and from any tuition, fees, and similar payments by students which are received to support the general operation of the institution.

2.2. The Endowment Board may sell any property, real or personal, of the Endowment Fund at either public or private sale. In the acquisition and disposition of real property for the benefit of an Endowment Fund, irrespective of the value of such property, all transactions required by law to be acted upon by the State Department of Administration, the Governor, or the Council of State shall be conducted directly between the Endowment Board and the State Department of Administration, the Governor, and the Council of State, without the necessity of approval by the President or the Board of Governors of The University of North Carolina.

2.3. The Endowment Board shall be responsible for the prudent investment of the Endowment Fund, in the exercise of their sound discretion, without restriction by any statute or rule of law relating to the investment of funds by fiduciaries.

2.4. The Endowment Board may designate a fiscal agent or agents and from time to time may change such designations.

2.5. The principal and income of all endowment properties shall be held and expended in strict accordance with the terms of the gift, devise, or bequest by which they were acquired and for the benefit of the constituent institution which it was the intention of the donor or testator to benefit.

2.6. It is the intent of the Board of Governors that the income from the Endowment Fund shall not take the place of State appropriations or any part thereof, but that it shall supplement the State appropriations to the end that the institution may improve and increase its functions, may enlarge its areas of service, and may become more useful to a greater number of people.

2.7. All expenditures of monies from the Endowment Fund shall, upon the recommendation of the Chancellor, be approved by the Board of Trustees of the School.

2.8. The Endowment Board shall submit, via the Chancellor, a comprehensive report to the Board of Governors annually.