ENDOWMENT AGREEMENT
The Endowment Agreement reflects the amount of the gift, the donor's intent for use of the endowed funds, and reporting requirements set by the donor and the Office of Development. This contract defines our responsibility and accountability to each endowment donor.

As a holder of an endowed academic position, the Endowment Agreement is instrumental in determining appropriate use of endowed funds, spending the funds in a timely fashion, and reporting to the donor in a thorough and consistent manner.

INCOME FROM ENDOWED POSITIONS
The University of Texas System Board of Regents Rules and Regulations, Part 1, Chapter 7, Section 3, states “distributions from the endowment may be used both for salary supplementation and for other professional support of the holder of the endowed position, including assistance in the holder's research. It is provided specifically, however, that, in no event, will endowment distributions be used to supplant any other source of funds used to pay the base salary of the holder of the position when the holder is performing his or her regular duties.”

TERMS OF APPOINTMENT
The following is a summary of the Handbook of Operating Procedures, Policy 46:

All appointments to endowed or named professorships and endowed chairs will be renewable five-year term appointments. The faculty and administration of each school with endowed positions will establish procedures for making recommendations to the President for the continued appointment of individuals holding endowed or honorific positions. The Executive Vice President for Academic and Research Affairs (EVPARA) must approve the procedures.

1. A formal review will be conducted of all endowed faculty during the fifth year of appointment. The school will conduct a review before the fifth year if requested by the President.
2. The recommendation of the school will be forwarded to the President. The President will determine whether the individual is to continue in the endowed or honorific position and will notify the individual of the decision.

Appointment to an endowed or named position is separate from appointment to the faculty. A decision to award tenure to the current or prospective holder of an endowed or named position affects only the regular faculty appointment; it does not imply a commitment for continuance in the endowed or named position.
Honorific titles must be relinquished upon the holder's leaving the university, retirement, assumption of less than full-time appointment, or stepping down from an academic administrator position of which the title is linked to the administrative position (e.g., department chair). However, other specific provisions are possible with agreement of the relevant Dean, the EVPARA, and the President. The Dean or Institute Director must inform the EVPARA when the holder relinquishes or becomes ineligible to hold the endowed position.

ANNUAL REPORT
As a holder of an endowed academic position, and as a condition of continued appointment, you must contribute a narrative report as a component of the annual report, which is sent to all endowment donors by the Office of Development. The annual report consists of the following components:

• A cover letter from the President. The Office of Development is responsible for enclosing this letter in the annual report.

• Your narrative report. This report can take on various forms, but should ultimately capture your professional and/or research efforts and summarize the benefits received from the gift throughout the calendar year. We encourage itemization of the endowed receipts and expenditures. This will provide the donor with a clear demonstration of the gift’s impact. Please submit your narrative report to the Office of Development (via email to Edward.Sponberg@uth.tmc.edu) by December 1st.

• The financial report. This report is derived from The University of Texas Investment Management Company (UTIMCO) and reflects the market value, earnings and distributions specific to each endowment. The Office of Development is responsible for enclosing this financial report in the annual report.

The annual report will be sent to all donors in January.