

BOARD OF REGENTS SUPPORT FUND

**COMPETITIVE AND RESTRICTED BEQUESTS
ENDOWED CHAIRS PROGRAMS**

Guidelines for the Submission of Proposals

FISCAL YEAR 2006-07

Request for Proposals, Number 2006-11

P. O. Box 3677
Baton Rouge, LA 70821-3677

(225) 342-4253

Revised: 12/2006

TABLE OF CONTENTS

	<u>Page</u>
I. Proposal	1
II. Annual Review	2
III. Status and Resubmission of Disapproved/Unfunded Proposals	3
IV. Provision of Money from the Board of Regents Support Fund	3
V. Excess of Matching Funds Relative to Approved and Eligible Chairs	3
VI. Post-Award Reporting Requirements	3

IMPORTANT NOTICE

Availability of the Guidelines on the Internet

As part of the Board's ongoing effort to streamline guidelines, and to ensure that this document is as widely disseminated as possible while minimizing the number of paper copies that institutions must produce, these guidelines are available on the Internet: <http://www.laregents.org>.

I. PROPOSAL

In order for a prospective eminent scholar chair to become eligible for \$400,000 or more in Board of Regents Support Fund matching monies, the affected institution must first submit a proposal to the Board of Regents. Proposals may be submitted in any discipline at any time; however, only proposals submitted by **Monday, January 22, 2007**, will be reviewed during FY 2006-07. Requirements governing proposal submission are contained in the Board of Regents Support Fund Endowed Chairs Policy, attached as Appendix A. **Please read this document carefully in its entirety before preparing proposals for submission.** In addition, the assurances in Appendixes B and C relative to the prohibition against supplanting State General Fund money and conducting a national search, respectively, must be attached to the proposal. An original proposal, including originals of Appendixes B and C, and eight (8) copies are required. Only originals are required of the affidavits. **Proposals and supporting affidavits should be submitted by U.S. mail to:**

Mr. John Wallin
Associate Commissioner for Sponsored Programs Administration
Louisiana Board of Regents
P. O. Box 3677
Baton Rouge, LA 70821-3677

If the chosen carrier is other than U.S. mail, please use the following address:

Mr. John Wallin
Associate Commissioner for Sponsored Programs
Louisiana Board of Regents
1201 North Third St., Suite 6-200
Baton Rouge, LA 70802

With respect to Section III, p. 2, of the Policy, please note that there are no monies available in FY 2006-07 to fund the targeted chairs referenced therein.

The “Special Provisions for Campuses with Fewer than Three Eminent Scholar Chairs,” which provided for an inverse ratio of \$400,000 in private funds to \$600,000 from the Support Fund for public four-year universities with fewer than three endowed chairs, was adopted by the Board in January 2001 with the limitation that it be in effect only through June 30, 2006. Accordingly, the inverse ratio will not be in place for FY 2006-07 unless the Board decides to reinstitute it. The single exception to the above involves one application from Southern University – New Orleans, which has received permission from the Board to submit an “inverse ratio” proposal after the June 30, 2006 deadline.

II. ANNUAL REVIEW

A team of out-of-state experts shall evaluate and rank all proposals. The team will peruse formal proposals and interview representatives from affected campuses prior to submitting its recommendations to the Board of Regents.

The out-of-state panel shall apply the following criteria in evaluating all proposals submitted:

	<u>Points</u>
a. Potential of the proposed chair to contribute to economic development	36
b. Contribution of the proposed chair to academic enhancement	56
c. Appropriateness, feasibility and likelihood of success of proposed plan to recruit women and minority scholars in those fields at this institution in which there has been historical underrepresentation.....	8
Total	100

The burden of proof will be on the submitting institution to demonstrate the manner and extent to which the proposed chair satisfies these criteria. To be approved, the proposal must score a minimum of at least 50% in each category and a combined total of at least 70 points.

III. STATUS AND RESUBMISSION OF DISAPPROVED/UNFUNDED PROPOSALS

Any proposal not approved for funding in the fiscal year of the application must be resubmitted during a subsequent funding cycle to be reconsidered for matching funds. All such proposals will compete on an equal basis with other proposals submitted in that funding cycle.

IV. PROVISION OF MONEY FROM THE BOARD OF REGENTS SUPPORT FUND

Chairs approved by the Board shall be funded in rank order, subject to the "Limitations" explained in Section V of the Board of Regents Support Fund Endowed Chairs Policy, and as soon as funds are available in the appropriate fiscal year.

V. EXCESS OF MATCHING FUNDS RELATIVE TO APPROVED AND ELIGIBLE CHAIRS

Any funds which remain unawarded under the Competitive Program can be used, subsequent to Board approval, to endow restricted bequests in the queue. Conversely, if any funds allocated for restricted bequests are unawarded in a given fiscal year, the Board may use this money to fund chairs which have been competitively ranked. Unexpended money will revert to the Enhancement Component of the Board of Regents Support Fund.

VI. POST-AWARD REPORTING REQUIREMENTS

Potential applicants under both the Competitive and Restricted Bequests Programs should be aware that post-award reporting requirements have been increased and strengthened. See the Board of Regents Support Fund Endowed Chairs Policy for details. (Enchrfp.D06 C;jw)

Appendix A

**BOARD OF REGENTS
ENDOWED CHAIRS POLICY**

ADOPTED MARCH 25, 1999

TABLE OF CONTENTS

	<u>PAGE</u>
I. Introduction.....	1
II. Eligible Institutions.....	2
III. Types and Funding of Endowed Chairs.....	2
A. Consolidation of Two or More Extant Chairs.....	3
B. Changing Disciplines of Previously Awarded Chairs	4
IV. Restricted Bequests: Irrevocable Estate Gifts	4
V. Limitations Per Fiscal Year: Per Public Campus and the LAICU System	5
VI. Selection and Expectations of the Eminent Scholar	6
A. National Search	6
B. Standards of Appointment	7
C. Letter of Appointment.....	8
D. Standards of Performance	8
VII. The Society of Eminent Scholars.....	9
VIII. Establishment of Institutional Eminent Scholars Trust Fund.....	9
IX. Eligible Matching Funds	10
X. Conditions for the Transfer of State Matching Funds	10
XI. Applications of Proceeds	11
XII. Reporting Requirements	12
XIII. Annual and Six-Year Board of Regents Reviews	13
A. Annual Review.....	13
B. Six-Year Review	13
XIV. Publicity	13

I. INTRODUCTION

Modeled after the Louisiana Endowment Trust Fund for Eminent Scholars which was created by statute during the 1983 regular session of the Louisiana Legislature, the Board of Regents Support Fund Endowed Chairs for Eminent Scholars Program first awarded chairs under the aegis of the Support Fund in the spring of 1987. All chairs were endowed at \$1 million: \$600,000 in private funds, with a \$400,000 match from the Support Fund. Between FY 1986-87 and FY 1990-91 the amount of Support Fund money devoted to the program was increased commensurate with rising demand. During FY 1990-91, the Regents acted to eliminate all but restricted bequests from the "first-come, first-served" basis upon which the program had previously been conducted. The "Guidelines for the Submission of Proposals for the Competitive Program for Matching Funds to Endow Chairs" were first issued in the fall of 1990, and have governed administration of the Competitive Program since that time.

In 1993 the Regents engaged the services of a distinguished team of out-of-state consultants to conduct a comprehensive review of the overall Endowed Chairs Program, focusing upon the 42 chairs which had been endowed as of June, 1992. The ensuing consultants' report contained recommendations which the Board ultimately adopted, including: the requirement to conduct a national search prior to the filling of subsequent chairs, as well as on occasions when previously-funded chairs become vacant; inclusion on the search committee of at least one scholar external to the campus, in the field of the prospective chair, with no affiliation to the Board of Regents or the donor; permission for universities to submit proposals for chairs to be endowed at the \$2 million level, with the 40:60 ratio of Support Fund to private donations maintained; and assignment of rating points for proposals based on a plan in the application to recruit minority and women scholars in areas historically underrepresented at the applicant institution.

After a brief period in which applications for endowed chairs leveled off and even declined somewhat, the success of universities in procuring private donations fueled a dramatic increase in applications for chairs in FY 1996-97 and FY 1997-98. The increased demand was met in whole or part by supplemental appropriations from the Legislature during each of these years. Meanwhile, a second comprehensive review of the overall Endowed Chairs Program was conducted during the summer and fall of 1998. The ensuing recommendations were designed to take a program which has already amassed an impressive and well-documented record of accomplishment and move it to a still higher level of achievement. The policy document which follows represents an effort to combine the most promising features of the "Guidelines," the "Regulations for the Louisiana Endowment Trust Fund for Eminent Scholars," and the recommendations emanating from the 1998 review. In this way, the program can make even more noteworthy contributions to academic and economic enhancement within Louisiana.

II. ELIGIBLE INSTITUTIONS

Public institutions under the management of the Louisiana State University Board of Supervisors, the Southern University Board of Supervisors, the University of Louisiana System, and the community colleges within the Louisiana Community and Technical College System, as well as regionally accredited independent institutions of higher education which hold membership in the Louisiana Association of Independent Colleges and Universities are eligible to participate in the Louisiana Endowment Trust Fund for Eminent Scholars.

III. TYPES AND FUNDING OF ENDOWED CHAIRS

Effective beginning FY 1999-2000, all campuses may apply for two kinds of endowed chairs: (1) one which combines research/scholarly and teaching/educational

foci, in which the research /scholarly focus is pre-eminent; or (2) one which combines teaching/educational and research/scholarly foci, in which the teaching/educational focus is pre-eminent. Campuses are requested to place all previously funded chairs in one of these two categories.

While the minimum level of funding for an Endowed Chair will remain at \$1 million, the Board of Regents encourages proposals for \$2 million chairs at the same 40:60 ratio of Support Fund money to private donations. Campuses may choose to request \$400,000 in Board of Regents Support Fund matching monies to endow a chair at the \$1 million level, or \$800,000 in Board of Regents Support Fund matching monies for a single \$2 million chair. As in the past, when the demand exceeds Support Fund money budgeted, the Board will continue to seek supplemental funding from the Legislature for the Endowed Chairs program.

Further, the Board is committed to specially fund chairs at the \$2 million level, or above, which sustain academic centers of excellence that foster the State's targeted economic development initiatives. **The Board will seek participatory funding from the State Legislature only for such chairs, and only if there is a demonstrated need to fund them at the \$2 million level or above to attract targeted eminent scholars.** The annual Request for Proposals will make clear which initiatives are so targeted. Pending approval by the Legislature, the suggested ratio for these targeted chairs is 25% Support Fund money; 25% Legislative funds; 50% private donations.

A. Consolidation of Two or More Extant Chairs

An institution may petition the Board of Regents for permission to consolidate two or more extant chairs. The petition must document clearly the reasons for the request and must include, at a minimum, the written concurrence of the original donor or his/her legal representative.

B. Changing Disciplines of Previously Awarded Chairs

An institution may petition the Board of Regents for permission to change the academic discipline(s) for a particular chair. The petition must document clearly the reasons for the requested change. The documentation must contain the written concurrence of the original donor or his/her legal representative.

IV. RESTRICTED BEQUESTS: IRREVOCABLE ESTATE GIFTS

Effective beginning FY 1999-2000, the submission of a proposal is required for a restricted bequest to be considered. Proposals submitted under the bequests program must adhere to all format and documentation requirements that apply to other Endowed Chairs proposals, and chairs funded under this program are subject to the same post-award reporting requirements and accountability measures as other chairs. Additionally:

1. A cover letter must accompany the proposal notifying the Board of the bequest and identifying the receiving institution, department, etc., as well as the benefactor and the official name of the proposed chair;
2. The bequest program shall be limited to restricted bequests which specifically indicate that the intention of the donation of the private matching funds is to endow a chair under the Board of Regents Support Fund Endowed Chairs Program;
3. When required documentation is submitted for restricted bequests, included among that documentation must be an affidavit signed by the Executor of the Estate, stating that the bequest was made with the intention that such funds would be matched with Support Fund money to establish an endowed chair;

4. Once a request for matching funds to endow a chair has been submitted under the Restricted Bequests Program, its category of submission may not be changed to the Competitive Program; and,
5. Proposals must receive a “satisfactory” rating (i.e., a score of at least 70) by consultants in order to establish eligibility for funding. Proposals deemed ineligible or unsatisfactory in one cycle may be revised and resubmitted in a future funding cycle.

The Board of Regents shall continue to encourage private donors to contribute \$600,000 or more to fund eminent scholar chairs through various irrevocable estate planning instruments. These chairs may be funded in any academic discipline. Eligible restricted bequests with rating scores of at least 70 will be funded at the rate of two per year (or \$800,000 total in Support Fund matching monies) on a “first-come, first-served” basis. Eligible restricted bequests which are unfunded in any given fiscal year because of lack of funds shall be placed in the queue for funding in a subsequent fiscal year, again in rank order based on a “first-come, first-served” basis. Chairs awarded to institutions of higher education as the result of bequests shall not count toward the monetary limitations set forth in the following section of this policy.

**V. LIMITATIONS PER FISCAL YEAR: PER PUBLIC CAMPUS AND THE
LOUISIANA ASSOCIATION FOR INDEPENDENT COLLEGES AND
UNIVERSITIES (LAICU) SYSTEM**

When requests exceed funds available, the following limitations apply relative to the amount of money that will be awarded per campus under the competitive program: (a) each public campus will be limited to \$1.2 million per fiscal year; and (b) all LAICU campuses combined will be limited to a total of \$1.2 million per fiscal year. Excluded from this total are chairs funded at the \$2 million level or above that are designed to further the State’s targeted economic development and diversification initiative. In the

external evaluation process, reviewers will be instructed that requests for \$2 million chairs shall be viewed neither more nor less favorably than those for \$1 million.

Thus a single public university, or all LAICU campuses combined, with restricted bequests and the specially targeted chairs excepted, would be able to receive as much as \$1.2 million under the Competitive Program to endow either: (a) one \$2 million chair and one \$1 million chair; or (b) three \$1 million chairs. Since the LAICU campuses and each public campus must operate, respectively, as a unit, this new factor is taken into consideration when funding decisions are made by the Board. If, for example, a LAICU campus submitted a \$2 million proposed chair and that chair is recommended by the consultants, no other \$2 million chair from a LAICU campus can be considered under the Competitive Program; rather, the next highest ranked request for a \$1 million chair at a LAICU campus will be the next proposal that can be considered for funding.

VI. SELECTION AND EXPECTATIONS OF THE EMINENT SCHOLAR

Universities shall, in the proposal requesting State matching funds, thoroughly delineate the expectations of and qualities sought in the person to fill the prospective chair. Additionally, the proposal must explain the environment within which the chairholder will interact. Said explanation must be sufficiently detailed to allow consultants to make informed judgments regarding critical mass, interdepartmental relationships, and other relevant matters. A plan to recruit women and minority scholars in those fields at the applicant institution in which there has been historical underrepresentation must be included.

A. National Search

The proposal must make clear the plan to conduct a truly national search for the candidate. Search committees must include at least one individual **external to the campus** who is a recognized expert/scholar in the general field of the prospective chair,

but who is not affiliated with either the private donor or the Board of Regents. An explanation of the types of individuals who would serve on the search committee must be included in the proposal. At the time the search committee is actually formed, campuses will transmit to the Commissioner of Higher Education the names, titles, employing organizations, and vitae of the committee members. While the holder of an endowed chair **may** already be an employee of the institution, such a situation should occur **infrequently** and only under circumstances where a national search has documented national and/or international eminence of the chairholder.

B. Standards of Appointment

Institutions will ensure that appointments are made only to those individuals who meet the following standards of national or international eminence, adapted to the type of Endowed Chair requested (see p. 2):

1. a national/international reputation as an eminent scholar and/or teacher within his/her discipline;
2. a record of prominent leadership roles on such entities as editorial boards, advisory boards, and professional associations;
3. an outstanding publication record;
4. a record of external research or recognition for innovation in teaching and development of grants and awards; and
5. an acclaimed performance and creative portfolio.

Except under unusual circumstances, chairholders, upon assuming the chair, will be full-time faculty members at their respective institutions. The Board of Regents will consider granting exceptions to this rule by special request, with explanation, either when or after the proposal is submitted.

C. Letter of Appointment

At the time the appointment is made, the institution shall send a Letter of Appointment to the chairholder which underscores and emphasizes commitments and ongoing contributions to be expected by each of the other. The Letter will stipulate both resources available to the chairholder and the degree of control over same he/she will have to accomplish specified goals. Additionally, the Letter of Appointment will inform the chairholder of the high standards expected of the position; the attainment of these will be evaluated through periodic reviews. An institution's pattern of holding chairholders to the highest standards reflected in the Letter of Appointment shall be a pivotal factor as the Board of Regents grants awards during the competitive review for subsequent chairs.

A copy of the Letter of Appointment, including signatures of the chairholder, the appropriate department chair(s), and the chief executive officer of the higher educational_institution, must be forwarded to the Commissioner of Higher Education no later than ninety (90) days following the appointment of the holder. Regular peer reviews of the chairholder shall be based on the Board of Regents' Standards of Performance as explicated in the Letter of Appointment.

D. Standards of Performance

The following standards of performance shall be expected of all chairholders, adapted to the type of endowed chair requested (see p. 2):

1. continuing record of scholarly and creative endeavors;
2. leadership in academic units and collaborations with scholars and the private sector;
3. pursuit of activities that enhance the reputation of the university;
4. exceptional/innovative teaching, student advisement, mentoring, and leadership in curriculum development;

5. attraction of high quality students; and
6. contributions to the State's economic enhancement and to solutions for community/health/business/education problems.

VII. THE SOCIETY OF EMINENT SCHOLARS

The Society of Eminent Scholars, established by the Board in May of 1998, has the potential to foster new collaborations and generate new initiatives to enrich research and instruction, and enhancement of infrastructure, as well as to encourage collaboration among scholars across university boundaries. The Society should also serve in an advisory capacity for the Board of Regents and its staff. Members of the Society who have made laudatory achievements and contributions will be recognized on a periodic basis. The Society, and particularly those members who have been identified as "laudatory," may provide counsel and assistance in the recruitment and evaluation of candidates for Eminent Scholar appointments.

VIII. ESTABLISHMENT OF INSTITUTIONAL EMINENT SCHOLARS TRUST FUND

Each university, as a condition of participation in the State matching funds provided herein, shall establish its own Eminent Scholars Trust Fund. Each institution's Eminent Scholars Trust Fund shall operate as a depository for private contributions and State matching funds. Each university, under the supervision and management of its governing board or its foundation, shall have the responsibility for the maintenance and investment of its own Eminent Scholars Trust Fund in a manner consistent with its duties as fiduciary for such funds. Each participating university's Eminent Scholars Trust Fund shall be administered and maintained as a restricted endowment. It is further contemplated that each participating institution may, in order to facilitate the establishment of two or more endowed chairs under this program, cause the funds held in trust for any particular chair to be held in a separate and segregated account upon the establishment and operation of the endowed chairs. Thereafter, the institution's Eminent Scholars Trust Fund shall continue to operate as a depository for private

contributions and State matching funds associated with subsequently proposed endowments under this program. The Board of Regents staff will assist interested campuses in seeking advice and counsel from other campuses with more experience and greater resources in fund management.

IX. ELIGIBLE MATCHING FUNDS

Funds raised by a university from private sources (hereinafter referred to as "institutional matching funds") and eligible for State matching funds shall consist solely of funds derived from contributions made after July 1, 1984, and contributed and dedicated for the purposes of the university's Eminent Scholars Trust Fund. For purposes herein, the term "contributions" shall mean only such funds that are actually collected by a university's Eminent Scholars Trust Fund after July 1, 1984, deposited in the institution's Eminent Scholars Trust Fund, and verified by the respective institution in such manner as deemed satisfactory to the Board of Regents.

X. CONDITIONS FOR THE TRANSFER OF STATE MATCHING FUNDS

Universities shall, in the proposal which is submitted to request State matching funds for any and all types of chairs referenced above, allocate a salaried faculty-line to augment the endowment. While the faculty-line in question should preferably be at the level of a full professor, said line may, under extraordinary circumstances explained and justified in the proposal, be at the level of associate professor. Universities shall also identify in the proposal for State matching funds the sources of appropriate support for start-up costs associated with the requested endowed chair. These start-up costs must be committed and documented prior to the actual expenditure of State matching funds. In the event that start-up costs are not made available in a manner deemed timely by the Board of Regents, the Board shall have the right to require that funds awarded for the chair be returned by the institution to the Support Fund.

Prior to the transfer of State matching funds from the Louisiana Endowment Trust Fund to any eligible institution's Eminent Scholars Trust Fund, the Board of Regents shall find that the following requirements have also been satisfied:

1. the participating institution has received and deposited institutional matching funds in the amount of six hundred thousand dollars (\$600,000) for each \$400,000 received in State matching funds in such institution's Eminent Scholars Trust Fund;
2. the funds received and deposited in the institution's Eminent Scholars Trust Fund meet all eligibility requirements;
3. the participating institution has submitted to the Board of Regents an authenticated statement (notarized in the presence of two witnesses) which shall indicate that the institution has in good faith satisfied the statutory requirements of Section 1 of Acts 1983, No. 668, Acts 1984, No. 657, and regulations promulgated thereunder. Such compliance statement, moreover, shall be signed by the highest administrative official or other head of the participating institution and by the appropriate official of the financial institution(s) in which the institutional matching funds are deposited; and
4. the governing board of the participating institution has presented a recommendation to the Board of Regents for its approval of the establishment of an endowed chair to be supported by the proceeds of the Eminent Scholars Trust Fund.

XI. APPLICATIONS OF PROCEEDS

The sum of the State matching grant of four hundred thousand dollars (\$400,000) or more and the institutional matching grant of six hundred thousand dollars (\$600,000) or more shall constitute the original principal of the institution's Eminent Scholars Trust Fund (the "original principal"). The original principal shall be invested by the participating institution for the exclusive benefit of the institution's endowed chair. In no event shall any amount of the original principal be expended, consumed, or invaded, and it shall only be used for prudent investments on behalf of the endowed chair. The trust income of the Eminent Scholars Trust Fund of any participating institution (or segregated account thereof) shall be used solely for expenses for salaries or as supplement to salaries for the holder of the endowed chair and persons directly

associated with such holder's scholarly work, and for other expenses directly related to the chair's scholarly work.

XII. REPORTING REQUIREMENTS

On an annual basis, each institution shall furnish the Board of Regents a notarized affidavit providing full disclosure of the financial activity of the institution's endowment fund. Such financial disclosure shall include: (1) a certification that the principal of the endowment fund has remained intact, and (2) an account of all earnings and expenditures associated with the endowment fund. The annual financial report shall be submitted by each participating institution on October 1 of each year, and shall reflect the financial activity through June 30 of the prior fiscal year. This affidavit shall conform in every way to the "Eminent Scholars and Endowed Professorships Program: Statement of Investment Policy and Objectives," incorporated into this Policy herein as Appendix A. All reports submitted hereunder shall be signed by the head of the institution and the appropriate official of the financial institution in which the endowment funds are deposited. The Board of Regents reserves the right, at its discretion, to audit the books and records of account of any institution's endowment fund and any segregated account thereof.

XIII. ANNUAL AND SIX-YEAR BOARD OF REGENTS REVIEWS

A. Annual Review

The Board of Regents will engage a single team of out-of-state consultants to review all proposals submitted for matching funds each fiscal year. Since expectations concerning chairs specially targeted to focus on economic development and diversification may vary from the goals and expectations of chairs not targeted, different rating sheets and criteria will be used for "targeted" as contrasted with "non-targeted" chairs. In the annual Plan and Budget separate budgetary amounts will be available for

each of the above categories. In all cases, however, proposals will be ranked and prioritized in accordance with a merit-based peer review process. **An institution's pattern of holding chairholders to the high standards reflected in the Letter of Appointment (see p. 7) shall be a pivotal factor in the granting of awards during the competitive review for subsequent chairs.**

B. Six-Year Review

With assistance from out-of-state experts, the Board of Regents will review the overall Endowed Chairs Program once every six years.

XIV. PUBLICITY

The Board of Regents shall publicize accomplishments of the Endowed Chairs Program through the broad dissemination of brochures, newsletters, and news releases to the media and other appropriate outlets.

The Investment Policy for Endowed Chairs that is an appendix to this document can be found under the “Finance Section” of the Board of Regents homepage .

**APPENDICES B and C ARE LISTED AS SEPARATE DOCUMENTS
ON THE WEB PAGE UNDER THE DOWNLOADS MENU AS
ENDOWED CHAIRS FORMS**

