

Constituent Universities

Appalachian
State University

East Carolina
University

Elizabeth City
State University

Fayetteville State
University

North Carolina
Agricultural and
Technical State
University

North Carolina
Central University

North Carolina
State University
at Raleigh

University of
North Carolina
at Asheville

University of
North Carolina
at Chapel Hill

University of
North Carolina
at Charlotte

University of
North Carolina
at Greensboro

University of
North Carolina
at Pembroke

University of
North Carolina
at Wilmington

University of
North Carolina
School of the Arts

Western Carolina
University

Winston-Salem
State University

Constituent High School

North Carolina
School of Science
and Mathematics

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September 22, 2014

To: Distinguished Professorship Endowment Trust Fund Campus Liaisons

RE: Instructions for FY 2014-2015 Related to Changes in the Appropriations Act

Dear Colleagues:

Due to recent budget constraints at the State level, the UNC system has experienced a significant backlog of eligible professorships awaiting State matching funds in the Distinguished Professors Endowment Trust Fund. Some of these have been fully funded by the donor for a number of years while awaiting the matching state funds, and we have been unable to use those funds without the match.

For FY 2014-2015 we have the ability to utilize these donations without the state match. The General Assembly Section 11.1.(b) of this year's State Appropriations Act (SB 744, Session Law 2014-100), ratified and signed by the Governor on August 7, 2014 includes the following noteworthy provision:

SECTION 11.1.(b) *Notwithstanding the provisions of G.S. 116-41.13 through G.S. 116-41.19, for the 2014-2015 fiscal year, no State match shall be required to use donations and gifts that were or are intended by the donor as matching funds for a State appropriation for distinguished professorships. If the terms of a particular donation or gift require a State match, then this subsection shall not apply without the written consent of the donor.*

To reiterate, if you have completed gifts for a Distinguished Professorship awaiting the State match, you may proceed with identifying the faculty recipient and using the interest earned (or the appropriate distribution) this year without waiting for the State match if the terms of the donation allow it.

Even with the above flexibility for this year, there are some important limitations to recognize:

- The gift must be completed in order to use the interest or distributions this year;
- If the fund agreement requires a State match, you must have the donor's written consent to use without the match;
- If the fund agreement or plan expressly states that the chair will be filled only by an external applicant, then you will have to conduct a search or have the donor's written consent to amend the agreement or plan to allow for an internal appointment;

Completed gifts used this year to support distinguished professorships as authorized by the Appropriations Act will NOT be removed from the "queue" awaiting State match and can be considered for State matching in FY 2015-2016.

Please also keep my office informed on your decisions and progress related to this matter.

Sincerely,



Christopher S. Brown

cc: Warwick Arden
Charlie Perusse
Joanna Carey Cleveland
Tim Minor