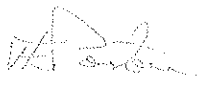


MICHIGAN STATE
U N I V E R S I T Y

June 11, 2012

MEMORANDUM

To: Trustee Finance Committee

From: Fred L. Poston 

Subject: Fund Functioning as an Endowment
ASMSU Spartan Scholarship Challenge Fund Conversion

RECOMMENDATION:

The Trustee Finance Committee recommends that the Board of Trustees adopt the following Resolution:



OFFICE OF THE
VICE PRESIDENT FOR
FINANCE AND
OPERATIONS

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Vice President and
Treasurer

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BE IT RESOLVED that the endowment fund currently known as the Associated Students of Michigan State University (ASMSU) Spartan Scholarship Challenge (ASMSU SSC Endowment) be reconstituted as a fund functioning as an endowment entitled the Associated Students of Michigan State University (ASMSU) Spartan Scholarship Challenge Fund (ASMSU SSC FFE), with the Spartan Scholarship Challenge matching funds previously allocated to the ASMSU SSC Endowment to be included in the ASMSU SSC FFE upon the establishment thereof; and

BE IT FURTHER RESOLVED that the ASMSU SSC FFE be managed pursuant to the terms of, and in coordination with, the Spartan Scholarship Matching Gift Program approved by the Board on October 30, 2009.

BACKGROUND:

In April 2010, the Associated Students of Michigan State University (ASMSU) and the Administration entered into a document that was the basis for the establishment of the ASMSU SSC Endowment. Endowments must be funded by gifts from non-University sources. Funds used to establish the endowment fund were derived from student taxes collected by the University for ASMSU and transferred from an ASMSU account at the University. For these reasons, and

consistent with the recent confirmation of ASMSU's status as a part of the University, the fund in question should be a fund functioning as an endowment, not an endowment fund. The Board's action on this resolution will make that correction.

To abide by ASMSU's intention in initiating the transfer of moneys that funded the ASMSU SSC Endowment, the ASMSU SSC FFE must be managed in all respects as if it were an endowment fund in the Spartan Scholarship Matching Gift Program.

cc: M. Haas, G. Klein, K. Lindahl, K. Mackley, K. Wilcox, D. Maybank