

BOARD OF REGENTS
BRIEFING PAPER

**1. Agenda Item Title: UNR Amendment to Finlay J. MacDonald
Quasi Endowment**

Meeting Date: June 11-12, 2015

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

The Board of Regents accepted a gift during the December 4-5, 1997 meeting to establish a quasi endowment as follows: "Distribution from the estate of Finlay J. MacDonald to establish the Finlay J. MacDonald Agriculture Scholarship Quasi Endowment. The earnings of this endowment are to be used to award scholarships to undergraduate students enrolled in the College of Agriculture at the University of Nevada, Reno. This use was one of the wishes of the donor. The amount of the quasi endowment will initially be \$907,000." (Exhibit 1)

Currently the endowment is being used for undergraduate scholarships in the College of Agriculture, Biotechnology and Natural Resources. The endowment generated available spending of \$72,322 for the 2014-15 academic year, with an estimated spending of \$73,205 for the 2015-16 academic year.

The original donor's Last Will and Testament contained a broader use for the bequest, including purchasing of equipment and/or upkeep of the college, but requested none be used for salaries of professors, instructors or other employees. The will provides as follows: "I give, devise and bequeath to the Board of Regents of the University of Nevada System to be used for the College of Agriculture located at the University, Reno in Reno, Nevada. It is my desire, wish and request that this bequest and the proceeds thereof be used for the purchase of equipment and/or upkeep thereof of said agriculture college, or for agricultural college student's loans and subsidies. It is my further wish, desire, and request that none of the bequest be used for salaries of professors, instructors or other employees of said institution."

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

President Marc Johnson requests approval of an amendment to the Finlay J. MacDonald Quasi Endowment to allow for the full intent of donor's wishes, including "the purchase of equipment and/or upkeep thereof of said agriculture college, or for agricultural college student's loans and subsidies," and to prohibit the use of funds "for salaries of professors, instructors or other employees of said institution," consistent with the intent of the donor.

4. IMPETUS (WHY NOW?):

The new and full use of the endowment is consistent with the donor's original intent. The use of the funds for purchasing of equipment and/or upkeep of the college was not anticipated as a need for the funds when the gift was originally brought to the Board of Regents in 1997. The college is now refining its mission and, with a new dean on board, requires the flexibility that the original bequest intended for equipment, upkeep, graduate student scholarships, and other expenses that are explicitly permitted in the Finlay J. MacDonald's Last Will and Testament.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

The original donor's Last Will and Testament directed the gift "to the Board of Regents of the University of Nevada System to be used for the College of Agriculture located at the University, Reno in Reno, Nevada. It is my desire, wish and request that this bequest and the proceeds thereof be used for the purchase of equipment and/or upkeep thereof of said agriculture college, or for agricultural college student's loans and subsidies. It is my further wish, desire, and request that none of the bequest be used for salaries of professors, instructors or other employees of said institution."

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Maintain current use for only undergraduate student scholarships in the College of Agriculture, Biotechnology and Natural Resources.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #4 Chapter #10 Section #9
- Amends Current Board Policy: Title #__ Chapter #__ Section #__
- Amends Current Procedures & Guidelines Manual: Chapter #__ Section #__
- Other: _____
- Fiscal Impact: Yes ___ No ___X___
Explain: _____

BOARD OF REGENTS OF THE UNIVERSITY OF
NEVADA SYSTEM

AGENDA ITEM

Richard _____
Tom R. _____
Tim _____
Karen _____

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Institution UNR

Approved by *[Signature]*
(President)

Regents Meeting Date December 4-5, 1997

Agenda Item Quasi Endowment
(Title)

Reference Materials Yes No

President Crowley requests approval to establish a quasi endowment as follows:

Distribution from the estate of Finlay J. MacDonald to establish the "Finlay J. MacDonald Agriculture Scholarship Quasi Endowment"

The earnings of this endowment are to be used to award scholarships to undergraduate students enrolled in the College of Agriculture at the University of Nevada, Reno. This use was one of the wishes of the donor.

The amount of the quasi endowment will initially be \$907,000.

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