

Q&A: Endowed Professorships and Endowed Chairs



Q: What is an endowment fund?

A: An endowment fund is a permanent, self-sustaining source of funding. Endowment assets are invested. Each year, a portion of the value of the fund is paid out to support the fund's purpose, and any earnings in excess of this distribution are used to build the fund's market value. In this way, an endowment fund can grow and provide support for its designated purpose in perpetuity. When you establish an endowment fund, you create a permanent legacy of support for Salisbury University.

SUPPORTING ENDOWMENTS

Q: How much money does it take to start an endowment?

A: The Salisbury University Foundation, Inc. has set different minimum funding levels for different types of endowments:

Financial Aid

- ❑ \$10,000 will establish an unrestricted or restricted financial aid endowment, such as a scholarship supporting undergraduates or graduate students.

Faculty Professorship and Chairs

- ❑ \$250,000 will establish an endowed professorship.
- ❑ \$1 million will establish an endowed chair of an academic department.

Q: What else does it take?

A: An endowment agreement. This agreement between the donor and the University permanently defines the purpose of the fund. The agreement also outlines the Salisbury University Foundation, Inc.'s standard procedures for managing endowment funds.

Q: Whose name is on the endowment?

A: You can name an endowment for yourself, your family, your friend, your favorite professor, your company – the choice is yours. Your endowment will be recorded as "The [Name of Your Choice] Endowment Fund."

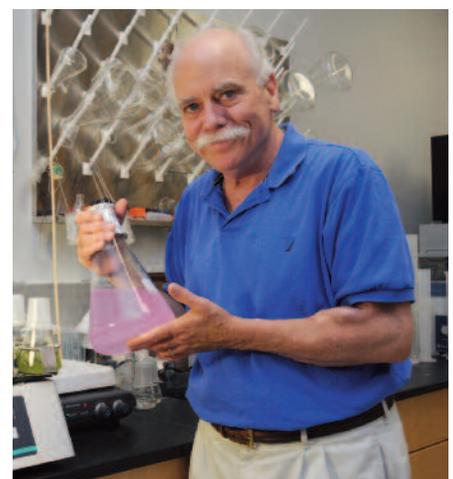
Q: How many endowed professorships and endowed chairs does Salisbury University currently have?

A: Salisbury University currently has two endowed professorships. They are the Lucy Tull Nursing Department Enhancement Fund and the Fulton Professorship in Geriatric at Salisbury University. Both professorships are awarded to faculty in the Richard A. Henson School of Science & Technology.

The hope going forward is to establish at least one endowed professorship or chair for each of the four academic schools. These four schools are the Franklin P. Perdue School of Business, Samuel W. & Marilyn C. Seidel School of Education & Professional Studies, Charles R. and Martha N. Fulton School of Liberal Arts, and Richard A. Henson School of Science & Technology.

Q: My lawyer knows about endowments. Can I have him/her prepare my endowment agreement?

A: The Salisbury University Foundation, Inc. uses standard language for endowment agreements to ensure consistency in management of the funds. As we work with you to establish the endowment, we will discuss your preferences and suggestions with you.



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Q: Do I need to sign an endowment agreement or meet a minimum gift level if I want to give to an existing endowment?

A: No. You can make a gift of any size to an existing endowment fund without signing an endowment agreement. There may be an existing endowment that reflects your interests and to which you can add your support. Also, many donors who have established endowment funds in the past continue making gifts to them over time. The larger a fund is, the more it can do each year.

Q: Exactly how is the spendable income used?

A: The spendable income from each endowment fund is used to support the fund's direct costs, as well as a portion of indirect costs. Distributions from scholarship endowments, for instance, generally fund full or partial scholarship grants and support indirect costs associated with those grants. Distributions from faculty professorship or chair endowments generally support the salary and fringe benefits of the professor/chair-holder and other expenses relating to the professor/chair-holder's teaching and research.

STEWARDSHIP AND RECOGNITION

Q: How do I find out about my endowment after I have made my gift?

A: Once an endowment reaches the minimum funding level and starts generating spendable income, Salisbury University Foundation, Inc. will begin sending you annual reports detailing the value and use of your endowment fund.

Financial aid endowment donors learn about their scholarship and fellowship recipients, and professorship donors are updated on news of their chair-holders. When you establish an endowment at the Salisbury University Foundation, Inc., you begin a new relationship with Salisbury, and the University will write to you – and later to your family – every year with an update on what your gift is making possible.

Q: Can I meet the students who benefit from my scholarship or fellowship?

A: In most cases, yes. Each year, the SU Foundation hosts a scholarship and fellowship celebration to bring together scholarship and fellowship donors, recipients, and honorees. If you do not have an opportunity to meet your student at a campus event, please contact the SU Foundation to arrange a visit for you during some other time when you are in Salisbury.

Q: How else does Salisbury recognize major donors?

A: The Sea Gull Society was created to recognize individuals whose cumulative lifetime gifts and pledges to all areas of Salisbury University total \$100,000 or more. Members of the Sea Gull Society receive a gold sea gull lapel pin upon induction and are invited to campus once a year for a special celebration recognizing their generosity and their close ties to Salisbury University.

In addition, the Holloway Society was established in memory of Salisbury University's heritage and founding President, William J. Holloway, and honors those who have already made planned gift provisions of at least \$25,000 for the University.

Contact Us

For more information or to establish an endowed professorship or chair, please contact:

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