

SENATE BILL #2042

Title: ASUW Student Services Endowment

Date: March 24, 2003

Authors: President Keith Sapp and Executive Ty Cooley

Sponsors: Senators Baugh, Bean, Lamp, Ratliff, and Wilbert

1. WHEREAS, the ASUW Student Loan account has gone largely underutilized
2. in the past and there is currently more than one million dollars in this account;
3. and
4. WHEREAS, the ASUW Student Senate approved in Senate Bill #1869
5. (10/21/97) to discontinue the collection of student fees for the ASUW Student
6. Loan account; and
7. WHEREAS, the State of Wyoming and the UW Foundation have agreed to
8. match an ASUW endowment, dollar for dollar, through its State Matching
9. Program during UW's *Distinction: The Campaign for Wyoming's University*;
10. and
11. WHEREAS, the previous ASUW endowment, created in 1998 through the
12. excess funds available in the ASUW Student Loan account for special campus
13. projects (Special Projects), has proven to be very successful in enhancing the
14. ASUW's ability to benefit students' lives and the campus through these
15. special projects; and
16. WHEREAS, new construction, renovations, and other improvements within
17. Student Affairs can be fully or partially funded through the creation of a new
18. ASUW Student Services Endowment, and as a means to encourage lower

19. student fee increases in the future; and

20. WHEREAS, there is no current funding mechanism identified by ASUW to

21. fund such needed projects.

22. THEREFORE, be it enacted by the Student Senate of the Associated Students

23. of the University of Wyoming that the ASUW Student Loan account be

24. dissolved and the remaining balance be dedicated to the creation of a new

25. ASUW Student Services Endowment that will be managed by the University

26. of Wyoming Foundation in accordance with Addendum A; and

27. THEREFORE, be it further enacted by the Student Senate of the Associated

28. Students of the University of Wyoming that the funds currently restricted for

29. the use of the Concerts and Convocations Committee be transferred to the

30. ASUW Student Services Endowment upon termination of this specific use by

31. the Concerts and Convocations Committee; and

32. THEREFORE, be it further enacted by the Student Senate of the Associated

33. Students of the University of Wyoming that One Hundred Thousand Dollars

34. (\$100,000) in the ASUW Reserve be restricted for the use of the Concerts and

35. Convocations Committee; and

36. THEREFORE, be it further enacted by the Student Senate of the Associated

37. Students of the University of Wyoming that those funds allocated for the

38. repayment of the Union bond debt be transferred to the ASUW Reserve upon

39. closure of the ASUW Student Loan account; and

40. THEREFORE, be it further enacted by the Student Senate of the Associated

41. Students of the University of Wyoming that all other financial obligations

42. upon this account shall be satisfied before said transfers occur; and
43. THEREFORE, be it further enacted by the Student Senate of the Associated
44. Students of the University of Wyoming that the actual transfer of funds to the
45. University of Wyoming Foundation be done at the discretion of the ASUW
46. Business Manger, in consultation with the ASUW Budget and Planning
47. Committee, and the ASUW Senate based on favorable market conditions and
48. upward economic growth.

Referred to: Student Issues Committee

Date of Passage: April 8, 2003

Signed:

Lou Reed

(ASUW Chairperson)

“Being enacted on April 9, 2003, I do hereby sign my name hereto

and approve this Senate action.”

Keith Gaff
ASUW President

ASUW Contribution #2

#2042 ASUW Student Services Endowment

And

#2041 ASUW Leadership Scholarship
Endowment

Where will the money come from?

- Complete Absorption of the ASUW Student Loan Fund.
- Created with collection of fees 1921-1997.
- Fee was realigned in 1997 by senate bill #1869, as the account was approaching \$3,000,000
- Realignment of fee to support recycling and wellness programs.
- Current balance of account: \$1,120,000

Previous Uses of Account

- \$1,000,000 Special Projects Endowment • \$100,000 Concerts & Convocations
- \$400,000 Upgrade of student computer labs • \$126,000 ASUW Scholarship Endowments
- \$253,000 ASUWLink
- \$626,000 Half Acre Renovation • \$40,000 Union Bond Debt
- \$112,000 Safe Ride

Why Endow the Account?

- Fund has went largely unused, currently only \$14,000 in receivables.
 - Student Financial Services has surplus of loan money.
- Currently only \$8,000,000 in state funds available for matching left, to receive the match, we must commit money soon.
- Enhance ASUW's influence financially on campus without raising student fees.

How will Endowment work

- Principle will be held by the Foundation.
- With state matching, total contribution will be over \$2,000,000.
- Typical market conditions, principle will earn 5%
 - $\$2,000,000 \times 0.05 = \$100,000$ per year
- Fund will not earn interest first year.

Scholarships

- Made up of \$250,000 (with match \$500,000) of the total gift.
- Minimum amounts of \$1,000
- Number award will depend on amount of endowment interest, hopefully 5% or \$25,000 per year.
- Preference will be given to renewals.

Student Services Projects

- Made up of approximately \$750,000 or \$1,500,000.
- Interest will be used at unspecified times.
- Off years, interest will accrue, does not need be used every year.
- Possible current uses are ASUW's commitment to the Union bond debt, \$35,000 per year for the next 17 years.

ASUW STUDENT SERVICES
ENDOWMENT AGREEMENT

The undersigned, ASUW Student Government, acting on the authority granted by the University of Wyoming Board of Trustees, hereby pledges to the University of Wyoming Foundation, a non-profit corporation under the laws of the State of Wyoming, hereinafter called the TRUSTEE, the sum of \$750,000.00 for the uses and purposes and upon terms and conditions hereafter set forth:

1. The trust hereby created shall be known as the ASUW Student Services Endowment and the above named TRUSTEE shall maintain the corpus thereof as a permanent fund. The net income only shall be used to finance the enhancement of student services buildings, venues, or other projects at the University of Wyoming as designated by the ASUW Student Government.
2. The TRUSTEE shall submit this gift for a match of equal amount under the matching endowment program established by the State of Wyoming Legislature to support UW's *DISTINCTION: The Campaign for Wyoming's University*.
3. At its discretion, the ASUW Student Government may award all of the annual income from the fund to one purpose described in paragraph 1 above or may divide it among two or more purposes. If, in the judgment of the ASUW Student Government, there is no eligible use during a particular year, the income from the fund may accumulate for use in subsequent years or may be used to augment the corpus of the fund.
4. The ASUW Student Government reserves the right to make additional transfers to the Trust, and the TRUSTEE is authorized to accept other contributions to the Trust.
5. While the DONOR intends that for the foreseeable future the income from the trust shall be used exclusively for the purposes and in the manner set forth in Paragraph (1) above, the DONOR recognizes the possibility of changes in the field of higher education that could eliminate, at some future time, the need for support of student services. Therefore, ASUW Student Government directs that should the TRUSTEE determine, after due consultation with the University of Wyoming President, that such is the case then the net income from the trust estate should be used for such useful educational purposes as the TRUSTEE, in

consultation with ASUW and the University, may determine to be most closely related to the purposes set forth in Paragraph (1) above.

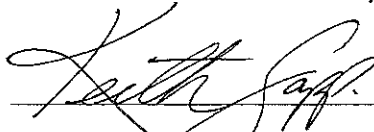
6. It is intended that the ASUW Student Services Endowment Fund shall be a component part of the UW Foundation and not a separate trust, and that nothing in this Agreement shall affect the status of the UW Foundation as an organization described in section 501(c)(3) of the Internal Revenue Code and as an organization which is not a private foundation within the meaning of section 509(a) of the Internal Revenue Code. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of such provisions of the federal tax laws and any regulations issued pursuant thereto. The UW Foundation shall have all of the powers provided in the UW Foundation's articles of incorporation and bylaws (specifically including, without limitation, the powers with respect to designated contributions) or otherwise provided by law in connection with its administration of the ASUW Student Services Endowment Fund.

7. The TRUSTEE shall keep and hold intact the corpus of the trust estate but shall, nevertheless, have full power and authority to invest the trust corpus and to sell all or any part thereof and reinvest the proceeds from time to time without being bound by any regulatory, statutory, or customary rules relating to investments by the TRUSTEE. The TRUSTEE may do so without limiting the generality of the foregoing and may:

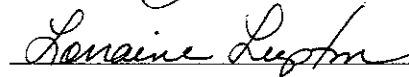
- Invest and reinvest such trust corpus according to the Investment Policy accepted and approved by the University of Wyoming Foundation Board of Directors;
- Pool the subject matter of various gifts, bequests and devises into one or more funds for the purpose of investment and management;
- Employ the services of investment counselors, brokers, custodial banks and others in carrying out the foregoing provisions, and to extract a reasonable fee for these services as determined solely by the TRUSTEE.

In no way shall the use of the fund for the purposes set forth in Paragraph (1) above be prejudiced. Gains and losses upon sales of corpus, share dividends and other distributions on corporate shares shall be allocated between principal and income in such a manner as the TRUSTEE may from time to time determine. The TRUSTEE shall have full power to vote and execute proxies to vote corporate shares included in the trust corpus.

IN WITNESS WHEREOF, I have hereunto set my hand this 9 day of April, 2003



Keith Sapp, ASUW President

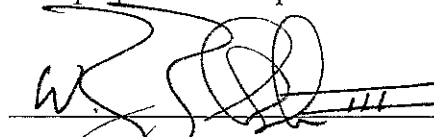
 4.10.03

Lorraine Lupton, ASUW Business Manager

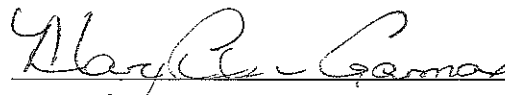
ACCEPTANCE:

THE UNIVERSITY OF WYOMING FOUNDATION

The University of Wyoming Foundation hereby acknowledges receipt of the above transfer and agrees to administer the same for the use and purposes and upon the terms and conditions herein contained.



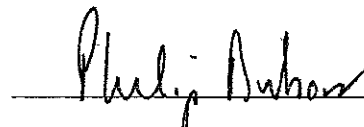
W. Ben Blalock III, President 5/21/03
Date



Mary Ann Garman, Treasurer 5-21-03
Date

THE UNIVERSITY OF WYOMING

The University of Wyoming hereby agrees to use the above gift for the purposes and uses herein described.



Philip L. Dubois, President 5/28/03
Date