



Office of the Provost and  
Senior Vice President for Academic Affairs

Phone: (906) 487-2440  
Fax: (906) 487-2935

**TO:** Richard Koubek, President

**FROM:** Jacqueline E. Huntoon, Provost & Senior Vice President for Academic Affairs

*Jacqueline E Huntoon*

**DATE:** January 21, 2019

**SUBJECT:** Senate Proposal 4-19

Attached is Senate proposal 4-19, "Expanded Endowment for Graduate Support" and a memo stating the Senate passed this proposal at their November 7, 2018 meeting. I have reviewed this memo and recommend the Administration ask the Senate to revise the name of the proposal so that it becomes an official "Senate Recommendation" (see Senate Constitution Article III F.4.b.ii). The document approved by the Senate is neither a proposed policy nor a proposed procedure; rather it outlines recommendations that the Senate is making to the Administration.

Despite my recommendation for a change of the name of the document, I fully support the essence of the document and will communicate its intent to the interim vice president for advancement.

I X concur \_\_\_\_\_ do not concur

*[Signature]*  
Richard Koubek, President

2/4/19  
Date



**DATE:** November 8, 2018

**TO:** Jacqueline E. Huntoon  
Provost & Vice President for Academic Affairs

**FROM:** Michael Mullins  
University Senate President

**SUBJECT:** Proposal 4-19

**COPIES:** Richard Koubek, President  
Roberta M. Desselier, Secretary of the Board of Trustees

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At its meeting on November 7, 2018, the University Senate approved Proposal 4-19, “Expanded Endowment for Graduate Support”. The Senate looks forward to approval of this proposal by the administration. Please keep me informed about the decision of the administration on this proposal and feel free to contact me if you have any questions.

# University Senate of Michigan Technological University

## Proposal 4-19

(Voting Units: Academic)

### “Expanded Endowment for Graduate Support”

Submitted by: W.C. Kerfoot, Research Policy Committee

*Endowment Background*-University revenues fluctuate over time with changes in enrollment (tuition), donor interest (gifts), and public (state, federal) support. An endowment allows donors to donate private dollars to public purposes with the assurance that their gifts will serve purposes for as long as the institution continues to exist. Although endowment earnings vary with changes in financial markets and investment strategies, most institutions follow prudent guidelines to buffer economic fluctuations both from outside and within. Endowments can produce a relatively stable stream of income. Since endowment principal is not spent, the interest generated by endowment earnings supports institutional priorities year after year, creating a stability important for long-term support. Within most state universities, endowments frequently support student aid, faculty positions, innovative academic programs, medical research, and libraries. In recent years, while publicly supported institutions have received significant cuts in state support, endowments have enabled institutions to respond more fully to changing conditions (graduate student increases, shifts in origins of students, maintaining diversity). MTU has been successful in mobilizing funds from high-end alumni donors and solicitation from undergraduate alumni. Here we encourage expansion of efforts to include solicitation of funds from graduate alumni, targeting graduate student scholarships, fellowships, summer support, bridging funds, and emergency circumstances.

Proposal: An endowed graduate fellowship or summer stipend enables graduate students and faculty mentors to conduct innovative research, explore new academic fields, and apply new technologies. At present, MTU Endowment appears to cater to relatively high-end potential givers (for establishment of Dedicated Professorships and Chairs), and to engineering undergraduate alumni. We encourage Endowment to broaden operations, to solicit mid-range donations for graduate student support, working with Department lists of graduate alumni. Solicitation for graduate support is practiced in most Universities (e.g. Rackham Graduate School, University of Michigan) and allows the establishment of Fellowships, Scholarships, bridging funds, and emergency health expenditures, if needed. Our current Associate Provost and Dean of the Graduate School, Pushpalatha Murthy, recognized this developing deficiency in the expanding graduate program at MTU and solicited funds internally this past year (2018) for just such support. Broadening the effort outside the institution would greatly expand potential long-term revenues. The expansion of

Endowment efforts is justified by our rapidly increasing graduate student body and projected enrollments. Not only will such increased unrestricted and restricted (named) endowments allow expansion of support and services to graduate students, it will help relieve increasing burdens on individual faculty and Department Chairs.