


April 21, 2023

MEMORANDUM

To: Committee on Budget and Finance

From: Lisa A. Frace 
Senior Vice President, Chief Financial Officer and Treasurer

Subject: Fund Functioning as an Endowment
Frederick S. and Marilyn Marshall Addy Distinguished Chair in Economics

RECOMMENDATION

The Trustee Committee on Budget and Finance recommends that the Board of Trustees establish a fund functioning as an endowment to provide financial support for a faculty chair position in the Department of Economics.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby establishes a fund functioning as an endowment entitled “Frederick S. and Marilyn Marshall Addy Distinguished Chair in Economics.”

BACKGROUND

The initial funding of \$127,000 to establish the “Frederick S. and Marilyn Marshall Addy Distinguished Chair in Economics” (the “Fund”) will be transferred from the University’s restricted gift account. Additional gifts can be added to the Fund.

The spending policy distributions will be used by the Department of Economics (the “Department”), in the College of Social Science, to provide financial support for a faculty chair position within the Department.

Interim Provost and Executive Vice President for Academic Affairs Thomas D. Jeitschko has approved this recommendation from Mary Finn, Dean of the College of Social Science.

cc: Board of Trustees, T. Woodruff, T. Jeitschko, M. Woo, N. Beauchamp, B. Quinn, S. Fletcher, M. Zeig, J. Rayis, L. Adams, K. Tobin, D. Smythe, M. Finn

Lisa A Frace

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FUND FUNCTIONING AS AN ENDOWMENT (FFE)

February 23, 2023

MEMORANDUM

TO: Thomas D. Jeitschko, Ph.D., Interim Provost and Executive
Vice-President for Academic Affairs
Lisa A. Frace, Senior Vice President, Chief Financial
Officer and Treasurer

FROM: Steven Haider, Chair
Department of Economics

RE: Frederick S. and Marilyn Marshall Addy Distinguished Chair in
Economics

It is the desire of the Department of Economics to establish a “Fund Functioning as an Endowment” for the Frederick S. and Marilyn Marshall Addy Distinguished Chair in Economics. The initial funding of \$127,000 will be transferred from University Advancement, account number RN031060. In the future, gifts can be added to this fund.

The Addys’ funding for faculty positions has grown so significantly that there are currently six fully funded and filled positions in business and economics that bear the Addy name. There is also a teacher scholar award in the Department of Economics in the name of Marilyn Addy. It was Fred’s wish to create an endowed faculty position within the Department of Economics should gifts received from his estate be valued at more than \$2 million.

PURPOSE: Expenditures shall support a faculty chair (the “Endowed Chair”) position within the Department of Economics (the “Department”), in the College of Social Science (the “College”), in accordance with the requirements set forth in this agreement.

Fund Administration.

- (a) The holder of the Endowed Chair must be a full-time, tenured professor in the Department with demonstrated excellence in teaching, research, and service. Subject to the approval of the Chair of the Department, preference will be for the holder of the Endowed Chair to teach a minimum of two (2) courses each academic year, one of which must be an undergraduate level course.
- (b) The Department, or its future successor MSU unit, if any, will identify candidates for the Endowed Chair according to its practices and procedures for the selection of such faculty in effect at the time of the selection, after consultation with an

advisory committee. The Dean of the College, subject to the approval of the Office of the Provost, will select the individual to be named to the Endowed Chair. The holder of the Endowed Chair will be evaluated periodically in accordance with MSU policies and procedures applicable to review of endowed faculty appointments. Should the FFE ever grow to an amount sufficient to create additional endowed chairs based on the then-minimum required to establish an endowed chair, available income may be used at the discretion of the Dean of the College for as many such positions as the FEE can appropriately support given University guidelines. The total number of endowed chair appointments made in a given year will be based on available income.

- (c) The holder of the Endowed Chair shall receive a salary and fringe benefits comparable to other similarly ranked professors in the Department. The holder of the Endowed Chair will also be entitled to the resources and privileges accorded other faculty members in the Department, including, but not limited to, office furnishings and equipment. Expendable Amounts from the Endowment may be used to supplement the salary and fringe benefits the holder of the Endowed Chair will receive from the Department. Such supplemental support includes, but is not limited to, administrative and research costs, research equipment and supplies, travel expenses, teaching and research assistant expenses, and other academic activities.

The Office of the Provost shall be responsible for stewardship of fund expenditures in perpetuity, exercising oversight and making any necessary administrative adjustments to assure that funds are properly expended.

If in a given fiscal year, the Department wishes any unexpended funds to be held for expenditure in a subsequent fiscal year, the Department will make the appropriate designation in the Scholarship and Endowment system prior to the close of that fiscal year; in the absence of such notice, any unexpended funds will revert to the fund at the end of that fiscal year.

Approved:

Steven J. Haider

Steven Haider
Chair, Department of Economics

2/23/2023

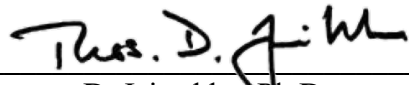
Date



Mary Finn
Dean, College of Social Science

2/27/2023

Date



Thomas D. Jeitschko, Ph.D.
Interim Provost and Executive Vice-President
for Academic Affairs

2/28/2023

Date