

**ALABAMA COMMISSION ON HIGHER EDUCATION  
ADMINISTRATION  
ADMINISTRATIVE CODE**

**CHAPTER 300-3-1  
ALABAMA ENDOWMENT TRUST FUND FOR EMINENT SCHOLARS PROGRAM**

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**300-3-1-.01**     **Purpose.**

(1) The purpose of the Alabama Endowment Trust Fund for Eminent Scholars is to establish a trust fund that will provide the opportunity to 14 authorized public universities to receive grants from such a trust fund in order to create endowments for selected eminent scholars to occupy chairs within the university.

(2) Administered by ACHE, the Alabama Endowment Trust Fund for Eminent Scholars offers challenge grants of \$400,000 for every \$600,000 raised in private donations for the purpose of the university's Eminent Scholars Program.

(3) Authorized foundations that would like to qualify for challenge grants must first establish a designated Eminent Scholars Trust Fund account into which the university's foundation deposits into the account \$600,000 in contributions from sources other than state appropriations, student fees, federal funds, research grants, and interest earned thereon. To become eligible to participate in distribution procedures the authorized university must submit qualifying documentation to ACHE.

(4) After the university's qualifying documentation is verified by ACHE, then the university is prioritized to receive a grant based on "first come first serve/round robin style"; i.e., each foundation has the opportunity to receive a first grant before a second grant is awarded.

(5) When the \$400,000 challenge grant is awarded to the authorized foundation, the one million dollar sum total now in the Eminent Scholars Trust Fund account is the sole responsibility of the university. Upon approval of the university's president, interest income earned on the university's Eminent Scholars account is to be used on salaries or supplemental salaries for the holder of the

new chair, those individuals directly associated with the new chair holder, and for other expenses directly related to the new chair holder's scholarly work.

(6) There is no limit to the amount of endowments a university may establish.

**Author:** Kay Ivey

**Statutory Authority:** Code of Ala. 1975, §§ 16-61-1, et seq.

**History:** Filed October 13, 1988.

### **300-3-1-.02      Administrative Role.**

(1) By law, Act No. 85-759, ACHE is required to administer the Alabama Endowment Trust Fund for Eminent Scholars.

(2) Alabama legislature allocates funds to ACHE for the Endowment Trust Fund for Eminent Scholars.

(3) Authorized universities requesting challenge grants must submit a current bank/financial statement, which verifies that \$600,000 exists in a designated Eminent Scholars account and a letter from the authorized university's president, which verifies that the sources of their contributions are solicited and received from private donors on behalf of the Eminent Scholars program.

(4) ACHE is responsible for collecting and verifying the qualifying documentation from authorized universities requesting challenge grants, date and time stamping the documentation, assigning a number relating to the order the university will receive a grant on a session schedule, serving a public notice of current session schedules to authorized universities before and after the cut-off date and distributing the grants when funds are available.

(5) ACHE will only award grants in increments of \$400,000. The number of grants available in one year can be calculated by dividing the total sum of funds available by \$400,000. Added grants may become available as interest income accumulates and/or additional funds are allocated by Legislature.

**Author:** Kay Ivey

**Statutory Authority:** Code of Ala. 1975, §§ 16-61-1, et seq.

**History:** Filed October 13, 1988.

### **300-3-1-.03      Definition Of Terms.**

(1) **Authorized Universities:** Any of the 14 universities authorized by said statute to which ACHE is to administer the Alabama Endowment Trust Fund for Eminent Scholars. The 14 universities are:

- (a) Alabama A & M University
- (b) Alabama State University
- (c) Auburn University
- (d) Auburn University at Montgomery
- (e) Jacksonville State University
- (f) Livingston University
- (g) Troy State University
- (h) Troy State University in Montgomery
- (i) The University of Alabama
- (j) The University of Alabama at Birmingham
- (k) The University of Alabama in Huntsville
- (l) University of Montevallo
- (m) University of North Alabama
- (n) University of South Alabama

(2) **Current Bank/Financial Statement:** A current bank/financial statement is a monthly or quarterly statement issued by the bank or financial institution, which includes a summary of all the checks that have gone through the account in the previous month or quarter, a summary of debits (withdrawals) and credits (deposits) and a resulting balance.

(3) **Cut-Off Date:** Two calendar weeks before the beginning of the fourth quarter is the cut-off date for authorized universities to have filed their requests for grants that will be awarded in the year's round-distribution schedule.

(a) All requests for grants made after the 1989 cut-off date will form subsequent 1990 Session Schedules.

(b) All 1989 Session Schedules that did not make the 1989 round-distribution schedule are carried over to the following year and will be filed accordingly so that every university has the opportunity to receive one grant before any university receives more than one.

(4) **Fiscal Year:** The period of time between October 1 and September 30. The fiscal year will be divided into the following quarters:

- (a) First Quarter October-November-December
- (b) Second Quarter January-February-March
- (c) Third Quarter April-May-June
- (d) Fourth Quarter July-August-September

(5) **Grant:** A \$400,000 payment administered by ACHE and distributed to authorized universities.

(6) **Qualifying Documentation:** Qualifying documentation includes a current bank/financial statement and a letter from the authorized university's president. The purpose of the current bank/financial statement is to prove that a balance of \$600,000 exists in a designated Eminent Scholars Trust Fund account. The purpose of the

letter from the authorized university's president is to verify that the sources of their contributions were solicited for the purpose of endowing an eminent scholar chair and received from private sources on behalf of the Eminent Scholars Program.

(7) Round-Distribution Schedule: Round-distribution schedule is based on the following interpretation of the statute: every university is given the opportunity to receive at least one grant before another university receives more than one.

(a) The total number of grants to be distributed can be calculated by dividing the total sum of funds available by \$400,000.

For example: If the Alabama legislature allocates \$2,400,000 to the Alabama Endowment Trust Fund for Eminent Scholars, then 6 (six) grants would be available for distribution. (\$2,400,000 divided by \$400,000 equals 6)

(b) A round-distribution schedule is made up of one or more session schedules.

For example: If \$2,400,000 were available for ACHE to distribute and the following session schedules had been formed, then the following round-distribution schedule shown in bold lettering would be formed. Session Schedule II 1989 will carry over to the new fiscal year to give all authorized universities who have not requested funds an opportunity to receive grants before those who received grants (in bold) on Round-Distribution Schedule 1989 receive a second grant.

#### Round-Distribution Schedule 1989

##### Session Schedule I 1989

1. Auburn University; October 5, 1988; 3:00 p.m.
2. Troy State University; October 10, 1988; 2:00 p.m.
3. The University of Alabama; October 30, 1988; 1:00 p.m.
4. Livingston University; January 15, 1989; 1:00 p.m.

##### Session Schedule II 1989

1. The University of Alabama; October 30, 1988; 1:00 p.m.
2. Auburn University; April 20, 1989; 9:00 a.m.
3. Troy State University; May 12, 1989; 10:00 a.m.

##### Session Schedule III 1989

1. The University of Alabama; October 30, 1988; 1:00 p.m.

(8) Session Schedule: A list of authorized universities who have qualified by the statute's requirements to request a challenge grant from ACHE.

(a) The list includes the qualified university name, date and time the request was received, and an assigned number to each

request relating to the order in which each university will receive a grant in each session schedule.

(b) The session schedules are headed with a numeral relating to the order in which it was formed and earliest year that grants could be awarded. All qualified requests for challenge grants received after the cut-off date are filed on session schedules that have the next year that grants should be awarded.

For example: If a qualified request was received after the cut-off date in October 1988, then the request would be filed on a 1989 session schedule.

(c) A new session schedule is formed when a university requests more than one grant so that no university will appear twice on one schedule and thereby creating an equal opportunity for each university to receive a grant in each session.

For example: If Auburn University applied for one grant on October 5, Troy State University applied for one grant on October 10 and The University of Alabama applied for three grants on October 30, then three session schedules would be formed as follows:

Session Schedule I 1989

1. Auburn University; October 5, 1988; 3:00 p.m.
2. Troy State University; October 10, 1988; 2:00 p.m.
3. The University of Alabama; October 30, 1988; 1:00 p.m.

Session Schedule II 1989

1. The University of Alabama; October 30, 1988; 1:00 p.m.

Session Schedule III 1989

1. The University of Alabama; October 30, 1988; 1:00 p.m.

**Author:** Kay Ivey

**Statutory Authority:** Code of Ala. 1975, §§ 16-61-1, et seq.

**History:** Filed October 13, 1988.

**300-3-1-.04**      **Distribution Procedures.**

(1) Distribution procedures like round-distribution schedules are based on the following interpretation of the law: that every university is given the opportunity to receive at least one grant before another university receives more than one.

(2) ACHE will serve a public notice to all authorized universities 30 calendar days before the beginning of the fourth quarter, which will list the current session schedules that will be included in this year's round-distribution schedule. This public notice will

also state the following reminder: Any university that would like to participate in this year's round-distribution schedule must send in their qualifying documentation before the cut-off date, two weeks before the beginning of the fourth quarter.

(3) There will be two distributions per year when and if the yearly appropriation to the Eminent Scholars Program (i.e. Alabama Trust Fund for Eminent Scholars) is \$5 million or more. Mid-January and mid-July are recommended times for distributions.

(4) ACHE will serve another public notice to all authorized universities after the cut-off date, which will list the updated session schedules that will be included in this year's round-distribution schedule.

(5) ACHE will distribute the grants to those on the round-distribution schedule during the fourth quarter on a date that is determined yearly by ACHE in the best interest of the program and its participants.

(6) Since the dollars allocated to the Alabama Endowment Trust Fund for Eminent Scholars accrue interest income, it is possible that there will be funds, under \$400,000, remaining after the distribution of grants. These funds remain in the Endowment Trust Fund accruing interest income. If the legislature does not allocate additional funds to the Eminent Scholars program, then when funds accrue interest income reaching the amount of \$400,000, a grant will be distributed at that time.

(6) If there are universities on a session schedule that were not awarded a grant on the current round-distribution schedule, then all universities retain their order on the session schedule. The session schedule is open again for requests of any authorized university that is not already on the session schedule and those universities that received grants will not be eligible to receive grants on the same session schedule.

For example: The hypothetical Session Schedule II 1989 will be open in the following fiscal year to the seven remaining universities so that every university is given the opportunity to receive at least one grant before another university receives more than one. The first three universities on the hypothetical Session Schedule II 1989 will remain on the list in bold lettering as a reminder that those universities have already received one grant.

#### Round-Distribution

##### Schedule Session Schedule I 1989

1. Auburn University; October 5, 1988; 3:00
2. Troy State University; October 10, 1988; 2:00 p.m.
3. The University of Alabama; October 30, 1988; 1:00 p.m.
4. Livingston University; January 15, 1989; 1:00 p.m.
5. Jacksonville State University; February 10, 1989; 8:00 a.m.

6. University of Montevallo; March 3, 1989; 9:00 a.m.
7. Alabama State University; March 18, 1989; 5:00 p.m.
8. University of South Alabama; April 20, 1989; 2:00 p.m.

Session Schedule II

1. The University of Alabama; October 30, 1988; 1:00 p.m.
2. Auburn University; April 20, 1989; 9:00 a.m.
3. Troy State University; May 12, 1989; 10:00 a.m.
4. University of South Alabama; April 20, 1989; 2:00 p.m.
5. Alabama State University; April 25, 1989; 1:00 p.m.

Session Schedule III 1989

1. The University of Alabama; October 30, 1988; 1:00 p.m.
2. Auburn University; April 20, 1989; 9:00 a.m.
3. University of South Alabama; April 20, 1989; 2:00 p.m.

**Author:** Kay Ivey

**Statutory Authority:** Code of Ala. 1975, §§ 16-61-1, et seq.

**History:** Filed October 13, 1988.

**300-3-1-.05      Reporting Of Achievements.**

(1) Institutions shall report the achievements of the Eminent Scholars Program that demonstrate the accomplishments provided by the Eminent Scholars.

(2) Reports should be completed annually and submitted to the Commission on Higher Education's office by the end of each calendar year beginning 1992.

(3) The reports on achievements will cover as many of the following criteria as applicable:

(a) Academic/Instructional Advances.

1. The courses the Eminent Scholar teaches (to include the names, number of classes, and a brief profile of the students involved -- indicate whether undergraduate or graduate).

2. The books, articles written (those published, accepted for publication or manuscripts under review. Subjects and advances made as a result of these publications).

3. The collaborative scholarly activities in which the Eminent Scholar participated (panel participation; consulting; journal service, committees and offices; etc.).

4. The number and kinds of lectures and addresses given by the Eminent Scholar both within and outside the

institution (description of papers presented; panels chaired; speeches given, etc.).

(b) Grants.

1. Description of purpose/contributions the funded project will provide; could also include brief description of proposals submitted and proposals under consideration.

(c) Graduate Students Supervised.

1. Describe the nature and purpose and quantity of students/projects supervised. Present the Eminent Scholar's view on achievements he/she felt were made.

(d) Significant Results of Research.

1. Purpose and results of research.

2. Marketable products, patentability, income.

3. Describe the individual Eminent Scholar focus and what he/she felt was important in terms of achievements.

(e) Other Contributions/Achievements/Academic Advances.

**Author:** Kay Ivey

**Statutory Authority:** Code of Ala. 1975, §§ 16-61-1, et seq.

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