

ENDOWMENT AGREEMENT

I/We, _____, (“Donor(s)”) hereby pledge to give \$_____ to the Board of Regents of The University of Texas System (“Board”) to establish an endowment for the use and benefit of The University of Texas _____ (“University”).

(If the gift is not paid in full, complete the pledge payment schedule.) **Donor(s)** intend(s) to pay \$_____ over (**number of years**) years, with the first payment to be made on or before **Date**, and the remainder in annual installments of \$**Amount of payments**, until the pledge is paid in full by **Due Date**.

If, as of the date specified above, there are sufficient funds held in the endowment to reach the required minimum funding level for an endowment, but insufficient funds to reach the required funding level for the endowment as originally established, Donor(s) understand(s) the endowment may be redesignated by the Board to the highest level of endowment category possible based upon the book value of funds held and the original intent.

I. Purpose

The **Endowment Name**, shall be held in perpetuity and used for the benefit of (**if applicable, department/school/college/unit**) at the University. Funds distributed from the endowment shall be used to **Insert Statement of Use**.

II. Administration

The endowment shall never become a part of the Permanent University Fund, the Available University Fund or the General Fund of the State of Texas, and shall never be subject to appropriation by the Legislature of the State of Texas. These funds and all future gift additions to the endowment, reinvestments, and required matching funds referenced in this agreement (including those made by the Board or the University), shall be subject to the provisions of this agreement and shall be classified as permanent endowment funds.

Changes to the terms of this agreement require a written amendment, signed by the same Donor(s) who sign this agreement, so long as they are living and competent to act, and agreed to by the signing Donor(s), the University, and the Board. Individuals and entities who make additional gifts to the endowment, but who are not signers to this agreement, shall have no authority to consent to changes, nor shall the Board or the University be required to provide notice or obtain consent from additional donors to the endowment. If unforeseen circumstances alter or remove the subject area or the purpose of this endowment from the University’s mission or if the purposes for which the endowment is established become illegal, impracticable, or are no longer able to be carried out to meet the needs of the University, the Board may designate an alternative use for the endowment payout in accordance with applicable state law to further the objectives of the University in the spirit of the original purpose.

III. Investment, Payout and Reinvestment

These endowment funds may be merged or commingled with other funds held by the Board for investment purposes in accordance with the policies of the Board. In connection with administration and management of the endowment funds, and in order to support development efforts to enhance the institution's philanthropy, the Board may authorize allocations against the endowment. Funds distributed from the endowment in a year may be retained and expended for the purposes of the endowment in subsequent years, or may be reinvested, at the discretion of the Board or the University, as a permanent addition to the principal of the endowment.

Donor(s) Signature

Donor(s) Signature

Date

Date

* OPTIONAL ETHICS CLAUSE: Donor(s) agree that the Board and University may amend this agreement if required to maintain the public trust or protect the mission and integrity of the University.

Endowments are officially established upon approval of the Board. As with any decision involving your assets, we urge you to seek the advice of your professional counsel when considering a gift to the University.