Endowment Fund of
The University of North Carolina Center for Public Television

1. Under the provisions of N.C.G.S. § 116-36, as amended by Chapter 506, 1977 Session Laws and by Chapter 649, 1979 Session Laws, and pursuant to these regulations, uniformly applicable to all constituent institutions, the Board of Governors of the University of North Carolina hereby establishes an endowment fund for all endowment funds now held or hereafter acquired for the benefit of the University of North Carolina Center for Public Television.

2. It is not the statutory intent underlying these regulations that the proceeds from the endowment fund shall take the place of state appropriations or any part thereof, but it is the statutory intent underlying these regulations that those proceeds shall supplement the state appropriations to the end that the University of North Carolina Center for Public Television may improve and increase its functions, may enlarge its areas of service, and may become more useful to a greater number of people.

3. The Board of Trustees of the University of North Carolina Center for Public Television shall constitute the board of trustees of all endowment funds now held or hereafter acquired for the benefit of the University of North Carolina Center for Public Television, to be known as "The Board of Trustees of the Endowment Fund of The University of North Carolina Center for Public Television." The chairman of the Board of Trustees of the University of North Carolina Center for Public Television shall be *ex officio* the chairman of the Board of Trustees of the endowment fund. Procedures for the conduct of business by the Board of Trustees of the endowment fund shall be consistent with procedures for the conduct of business by the Board of Trustees of the University of North Carolina Center for Public Television.

4. The trustees of the endowment fund may receive and administer as part of the endowment fund gifts, devises, and bequests and any other property of any kind that may come to them from the Board of Governors of the University of North Carolina or that may come to the trustees of the endowment fund from any other source, excepting always the moneys received from state appropriations and from tuition and fees collected from students and used for the general operation of the University.

5. Any gift, devise, or bequest of real or personal property to the University of North Carolina Center for Public Television shall be presumed, nothing to the contrary appearing, a gift, devise, or bequest, as the case may be, to the endowment fund of the University of North Carolina Center for Public Television. This presumption shall not apply to property made available to the University of North Carolina Center for Public Television or its functional predecessor prior to May 28, 1979.

6. Property shall not be deemed a part of the corpus of the endowment fund until it has been presented by the President of the University of North Carolina through written description of the property to the trustees of the endowment fund and has been acknowledged in writing as received by the trustees of the endowment fund. Property expressly or presumptively made available to the University of North Carolina Center for Public Television for its endowment fund shall be presented by the President of the University of North Carolina to the trustees of the endowment fund as provided in this paragraph unless the President, in consultation with the director of the University of North Carolina Center for Public Television finds that the property:

(1) though presumptively made available to the University of North Carolina Center for Public Television for its endowment fund, was in fact made available to the center for some other purpose;

(2) has been made available under conditions which make its acceptance or use illegal; or

(3) is unsuitable for use as property of the endowment fund.

7. The trustees of the endowment fund shall be responsible for the prudent investment of the fund in the exercise of their sound discretion, without regard to any statute or rule of law relating to the investment of funds by fiduciaries but in compliance with any lawful condition placed by the donor upon that part of the endowment fund to be invested.

8. The trustees of the endowment fund shall have the power to buy, sell, lend, exchange, lease, transfer, or otherwise dispose of or to acquire (except by pledging the credit of the State of North Carolina or violating a lawful condition of receipt of the corpus into the endowment fund) any property, real or personal, with respect to the fund, in either public or private transaction, and in doing so they shall not be subject to the provisions of Chapters 143 and 146 of the General Statutes; provided that, any expense or financial obligation of the State of North Carolina created by any acquisition or disposition, by whatever means, of any real or personal property of the endowment fund shall be borne by the endowment fund unless authorization to satisfy the expense or financial obligation from some other source shall first have been obtained from the Advisory Budget Commission by the Board of Trustees of the endowment fund upon the endorsement of the Board of Governors of the University of North Carolina; and provided further that, any gratuitous transfer of property or funds from the endowment fund shall be only upon direction of the Board of Trustees of the University of North Carolina Center for Public Television upon recommendation of the President.

9. The Board of Trustees of the endowment fund may appoint a fiscal agent or agents having all the privileges, powers, and immunities set forth in paragraph 8 relative to the trustees of the endowment fund except that no fiscal agent shall have authority to approach the Advisory Budget Commission as otherwise provided in paragraph 8. The Board of Trustees of the endowment fund may from time to time change its appointed fiscal agent or agents.

10. In the process of prudent investment of the fund (including the acquisition and maintenance of property for the fund) or to realize the intent under lying these endowment regulations, the Board of Trustees of the endowment fund or a fiscal agent appointed pursuant to paragraph 9 may expend or use interest and principal of gifts, devises, and bequests; provided that, the expense or use would not violate any condition or restriction imposed by the original donor of the property which is to be expended or used nor violate the provisions of paragraph 8.

11. To realize the statutory intent underlying these endowment regulations, the Board of Trustees of the endowment fund may transfer interest or principal of the endowment fund to the useful possession of the University of North Carolina Center for Public Television; provided that, the transfer would not violate any condition or restriction imposed by the original donor of the property which is the subject of the proposed transfer; and provided further that, such transfer be executed only by direction of the Board of Trustees of the University of North Carolina Center for Public Television and for the purpose identified by the Board of Trustees of the University of North Carolina Center for Public Television upon recommendation of the President.

12. Whenever any property of the endowment fund is disposed of or otherwise transferred from the endowment fund to the University of North Carolina Center for Public Television or to any other recipient, any instrument of transfer shall indicate that the donor, grantor, seller, lessor, lender, or transferor, as the case may be, is the Board of Trustees of the endowment fund.

13. The Board of Trustees of the endowment fund shall annually submit a comprehensive report on the endowment fund to the Board of Governors of the University of North Carolina, through the President.

14. The President shall inventory, consider, and present for placement in the endowment fund, as provided in paragraph 6, all property that presently reposes in any endowment, trust, or account as endowment property for the benefit of the University of North Carolina Center for Public Television. The provisions of this paragraph shall not apply to property reposing in any endowment, trust, or foundation that has corporate identify other than under N.C.G.S. § 116-3.

15. These regulations shall be effective upon their enactment by the Board of Governors of the University of North Carolina.