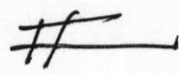


Margaret Hall

From: Margaret Hall
Sent: Tuesday, August 21, 2007 1:01 PM
To: Lawrence A. Davis
Cc: Libra C. Roulhac; Liz Strickland; Curley Gilmore
Subject: FW: Title III Funds (1985) - CORRECTION
Importance: High

THE CORRECTED AMOUNT IS \$565,113.01 is available for discretionary spending. 

Margaret Martin-Hall, Ed.D.
 University of Arkansas at Pine Bluff
 Office of University Relations & Development
 1200 N. University Drive, Mail Slot 4981
 Pine Bluff, AR 71601
 870 575 8701 Telephone
 870 575 4605 Fax
 hallm@uapb.edu

-----Original Message-----

From: Margaret Hall
Sent: Monday, August 20, 2007 2:46 PM
To: Lawrence A. Davis
Cc: Libra C. Roulhac; Liz Strickland; Curley Gilmore
Subject: Title III Funds (1985)
Importance: High

Chancellor Davis,

You have \$565,113.01 currently, available for discretionary spending.

Here is a more detailed explanation on the 1985 Title III Funds that were invested:

Today's market value for the combined funds (1985 and 1986) is \$882,491.30

The 1985 portion is .6741 of the total or \$594,887.39

The \$594,887.39, is allocated in the following manner - 95% (or \$565,113.01) is unrestricted and 5% (or \$29,744.37) is restricted

50% of the **restricted** and 50% of **unrestricted** must be returned to the U of A Foundation, Inc. ((The Foundation does not want the federal portion of the funds

but does want the original funds taken from the Foundation and the interest that was earned)

Even though the **unrestricted (\$565,113.01)** is divided between the Foundation and Simmons, we may use both pools in a **discretionary** manner

The **restricted** must be allocated to the **Howell Davis Endowed Scholarship (\$17,846.62)** and the **Lucy Johnson Endowed Scholarship (\$11,897.75)**

Again 50% of each scholarship fund will be returned to the U of A Foundation, Inc. and deposited in the respective scholarship account

I am meeting with Margarette Wallace of Simmons Bank to discuss how we may 1) access the unrestricted funds that remain at Simmons and continue to get a return on our investment; 2) get a check for the U of A Foundation, Inc., and 3) set-up accounts for the funds that will remain at Simmons. I will be sure to contact you with the details of my recommendation to you.

MMH ☺

8/21/2007

Lawrence A. Davis

From: Brown, Allison <Allison.Brown@ed.gov>
Sent: Wednesday, February 22, 2012 9:25 AM
To: Lawrence A. Davis
Cc: Brown, Allison
Subject: FW: this is a scanned doc
Attachments: Document.pdf

Dr. Davis

The two attached documents confirm that both of your endowment grants have been closed and you are free to use the funds as stipulated.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

November 13, 2008

Lawrence A. Davis, Jr., Ph.D.
Chancellor
University of Arkansas at Pine Bluff
1200 North University Drive
Mail Slot 4982
Pine Bluff, Arkansas 71601

Re: Endowment Challenge Grant # G008745056 / P031G60138

Dear Dr. Davis:

We are pleased to make available to University of Arkansas at Pine Bluff the combined federal and university matching share of the Endowment Challenge Grant program fund. Under terms of the Endowment Challenge Grant award the twenty-year investment period was completed on September 14, 2007. This release includes the \$116,130 corpus established in 1986 plus \$171,931.50 earned income reported as of October 22, 2008. These funds may be used for any educational purpose including strengthening your capability to meet financial goals for the university and increasing student access to quality higher education.

If you have any questions regarding our release of the endowment fund, please feel free to contact me at (202) 502-7719.

Sincerely,

James E. Laws, Jr., Ed.D.
Director
Institutional Development and
Undergraduate Education Service

cc: Dr. Margaret Martin-Hall

FILE COPY



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION

January 3, 2007

Lawrence A. Davis, Jr., Ph.D.
Chancellor
University of Arkansas-Pine Bluff
1200 North University Drive
Mail Slot 4981
Pine Bluff, Arkansas 71601

Re: Endowment Challenge Grant # G008641345 / P031G50180

Dear Dr. Davis:

We are pleased to make available to University of Arkansas-Pine Bluff the combined federal and university matching share of the Endowment Challenge Grant program fund. Under terms of the Endowment Challenge Grant award the twenty-year investment period was completed on September 30, 2006. This release includes the \$240,188 corpus established in 1985 plus \$332,196 in earned income reported as of June 30, 2006. These funds may be used for any educational purpose including strengthening your capability to meet financial goals for the university and increase student access to quality higher education.

If you have any questions regarding our release of the endowment fund, please feel free to contact me at (202) 502-7719.

Sincerely,

James E. Laws, Jr., Ed.D.
Director
Institutional Development and
Undergraduate Education Service

cc: Margaret Martin-Hall, Ed.D.
Director, University Relations and Development

July 23, 2007

Dr. Lawrence A. Davis, Chancellor
University of Arkansas, Pine Bluff
Pine Bluff, AR

Dear Chancellor Davis:

As one of the original program managers for the Endowment Challenge Grant Program, I have been asked to respond the many inquiries on how endowment income can be spent. In accordance to CFR Section 628.45, prior to the 20 year expiration of the grant, grantees are permitted to use 50% of the earned income for any educational purposes.

In accordance to CFR Section 628.45(1)(d), at the expiration of the 20 year grant period, grantees are permitted to spend the total endowment amount on any educational purposes, including improvements on the physical plant.

Section 331(3)(c) of the Higher Education Act (HEA), states that endowment funds can be used for academic programs, maintenance, renovation and construction, etc.

The program office interprets the cited section above to mean that, at the end of the 20 year period, spending of the endowment funds is at the discretion of the President/Chancellor.

Should you need further information, please feel free to contact me at 202-502-7591.

Sincerely,

Deborah C. Newkirk
Title III Program Officer

Liz Strickland

From: Margaret Hall
Sent: Friday, February 10, 2012 12:01 PM
To: Liz Strickland; Libra C. Roulhac
Subject: FW: audit[Scanned]

Margaret Martin-Hall

From: Margaret Hall
Sent: Monday, November 17, 2008 4:49 PM
To: 'Fred Harrison'
Cc: Lawrence A. Davis; Liz Strickland; Chaundra Love Hall; 'Barbara Goswick'
Subject: RE: audit[Scanned]

My response has been incorporated in the e-mail below in bold red italics.

Margaret Martin-Hall, Ed.D.
Director
University Relations & Development
University of Arkansas at Pine Bluff
1200 N. University Drive
Mail Slot 4981
Pine Bluff AR 71601
870 575 8701 Telephone
870 575 4605 Fax
hallm@uapb.edu

-----Original Message-----

From: Fred Harrison [<mailto:FHARRIS@uasys.edu>]
Sent: Monday, November 17, 2008 3:52 PM
To: Margaret Hall
Cc: Chaundra Love Hall; Barbara Goswick; Lawrence A. Davis
Subject: audit[Scanned]

Margaret – From your August 20/21 email to Dr. Davis it looks like \$317,378 (***\$287,604***) of the \$882,491 market value for 1985 and 1986 funds would represent Title III matching funds and private donations(to the Foundation?) for 1986 plus interest. Since the restrictions for 20 years would have expired why weren't half of these funds returned to the Foundation? ***Restrictions on the funds for the 1986 grant did not end until September 30, 2007.***

As I understand it the \$170,000 (***\$175,000***) to the Alumni Association to pay the settlement with Coach Forte would have come from this \$317,378 (***\$287,604***) which (together with the \$297,429 remaining in the account from 1985 funds of which 5% was restricted to specific endowed accounts) were the only funds in the Simmons Title III account free of the 20 year restriction. ***The \$175,000 was taken from the 1985 funds remaining in the Simmons account.***

I also understand that 50% of the \$317,378 (~~\$287,604~~) would have represented private donations and accumulated interest and the balance would represent what came from the federal matching grant and accumulated interest. Yes. Is all of that correct? *It is correct with the corrections noted.* Fred

Liz Strickland

11/17/08

From: Margaret Hall
Sent: Friday, February 10, 2012 12:01 PM
To: Liz Strickland; Libra C. Roulhac
Subject: FW: UAPB audit[Scanned]

Margaret Martin-Hall

From: Fred Harrison [FHARRIS@uasys.edu]
Sent: Monday, November 17, 2008 3:18 PM
To: Chaundra Love Hall
Cc: Margaret Hall
Subject: RE: UAPB audit[Scanned]

Chaundra – Thanks. This helps. Fred

From: Chaundra Love Hall [mailto:lovec@uapb.edu]
Sent: Monday, November 17, 2008 3:10 PM
To: Margaret Hall; Fred Harrison
Cc: Barbara Goswick; Lawrence A. Davis; Pauline Thomas
Subject: RE: UAPB audit[Scanned]

Dr. Hall,

There is no discrepancy. I spoke with Paul and he is referring to the 1985/1986 accounts. According to their records, the monies were raised in 1985/1986 and the **endowment was established in 1987**. Therefore, he is calling it the 1987 Title III account.

I am going to send you Margaret's August 20/21 email on the Title III account. This deals with the 1985 and 1986 Title III accounts but the audit refers to the 1987 Title III account. Can you explain this discrepancy?

Chaundra Hall

Chaundra Hall, Controller
University of Arkansas at Pine Bluff
1200 N. University, MS 4984
Pine Bluff, AR 71601

From: Margaret Hall
Sent: Monday, November 17, 2008 10:48 AM
To: Fred Harrison
Cc: 'Barbara Goswick'; Chaundra Love Hall; Lawrence A. Davis
Subject: RE: UAPB audit[Scanned]

My answers are incorporated in the e-mail below in bold red italics.

Margaret Martin-Hall, Ed.D.
Director
University Relations & Development
University of Arkansas at Pine Bluff
1200 N. University Drive
Mail Slot 4981
Pine Bluff AR 71601
870 575 8701 Telephone
870 575 4605 Fax
hallm@uapb.edu

-----Original Message-----

From: Barbara Goswick [<mailto:bgoswic@uasys.edu>]
Sent: Monday, November 17, 2008 9:43 AM
To: Chaundra Love Hall; Margaret Hall
Subject: FW: UAPB audit[Scanned]
Importance: High

Chaundra & Margaret – the two of you are going to have to answer Fred's questions.

From: Fred Harrison
Sent: Monday, November 17, 2008 9:41 AM
To: Barbara Goswick
Cc: 'Margaret Hall'
Subject: UAPB audit

Barbara – I'm preparing a response to the audit findings. Can you tell me from which account the \$175,000 payment to the UAPB/AM&N national Alumni Association for Coach Forte was paid. *It was paid from the Simmons account which held private donations and the funds received as Title III match.*

I believe Margaret said it was paid from the Simmons account which held private donations and the funds received as Title III match. By the time the \$175,000 was paid I think the \$297,429 had already been transferred to the UA Foundation. Is that correct? *Yes.*

Does that mean the \$175,000 was paid from those funds in the Simmons account as to which the 20 year restriction had expired (95% of which we considered unrestricted) less the funds transferred to the Foundation? *Yes.*

I am going to send you Margaret's August 20/21 email on the Title III account This deals with the 1985 and 1986 Title III accounts but the audit refers to the 1987 Title III account. Can you explain this discrepancy? *No.*

What has happened to the 1986 funds in the account has the unrestricted private match portion also been sent to the Foundation? *No.*

I'm trying to determine what part, if any, of the payment for Coach Forte was from what originally were private funds. Fred

Information from ESET NOD32 Antivirus, version of virus signature database 6040 (20110414)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

AGREEMENT

Agreement made this ____ day of June, 2007 by and between the Board of Trustees of the University of Arkansas acting for and on behalf of the University of Arkansas at Pine Bluff ("UAPB") and The University of Arkansas Foundation, Inc. ("Foundation").

Deleted: January

Deleted: March

Inserted: March

WITNESSETH:

WHEREAS, the Foundation is an Arkansas nonprofit, tax exempt corporation which exists to support the University of Arkansas and its campuses, divisions and units by holding, managing, investing and distributing private funds; and

WHEREAS, UAPB is a campus of the University of Arkansas; and

WHEREAS, UAPB is the grantee in a Title III program under 20 U.S.C.A. § 1065 (the "Program") for matching grants to eligible institutions in order to increase endowment funds at such institutions; and

Deleted:

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Deleted: donated for endowment purposes

WHEREAS, the Foundation has received and holds funds specifically donated to be used by UAPB as matching funds for the Program; and

WHEREAS, UAPB has proposed to use the donated funds as matching funds for the federal funds granted to it under the Program; and

Deleted: which

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WHEREAS, it is the policy of the Foundation not to hold or manage funds derived from public sources; and

WHEREAS, UAPB has established an endowment fund account in the custody of Simmons Bank, N.A., for the purpose of holding, managing, investing and distributing private matching funds and federal grants under the Program in accordance with laws and regulations regarding the permissible investment of such funds.

Liz Strickland

From: Margaret Hall
Sent: Friday, February 10, 2012 10:52 AM
To: Liz Strickland; Libra C. Roulhac
Subject: FW: Federal Matching Funds

Margaret Martin-Hall

From: Margaret Hall [hall_m@uapb.edu]
Sent: Tuesday, October 24, 2006 5:41 PM
To: 'Fred Harrison'
Cc: Lawrence A. Davis; Curley Gilmore; Libra C. Roulhac
Subject: RE: Federal Matching Funds

Fred,

Below is the info we discussed Tuesday, October 24, 2006:

UAPB has been approved for matching funds from the federal government—U. S. Department of Education, Office of Postsecondary Education, Title III, (HBCU Initiatives). The funds from the Foundation that will be used to make the match are derived from UAPB Foundation Fund—George Jones Endowment account (\$18,075); UAPB Foundation Fund—New Millennium Leaders Account (\$62,252). The amounts listed were calculated approximately 6 weeks ago and may be different at this time.

Though only the donations, not the interest, can be matched with federal funds, we request that both interest and donations be deposited in the same account to facilitate better management and tracking.

If you have questions or need additional information, please contact me.

Margaret ☺

Margaret J. Martin-Hall, Ed.D.
Director
University Relations & Development
University of Arkansas at Pine Bluff
Mail Slot 4981
Pine Bluff, AR 71601
870 575 8701 (Telephone)
870 575 4605 (Fax)
hall_m@uapb.edu

-----Original Message-----

From: Fred Harrison [<mailto:FHARRIS@uasys.edu>]
Sent: Monday, October 23, 2006 4:27 PM
To: hall_m@uapb.edu
Subject: freeman and kahn donation

Margaret – I called you today about the above and another matter. Please give me a call. Fred

June 7, 2007

Dr. Margaret Martin-Hall
Office of University Relations and Development
University of Arkansas at Pine Bluff
1200 North University Drive, Slot 4981
Pine Bluff, AR 71601

Re: Title III Matching Funds

Dear Margaret:

You have requested that we advise you as to the transfer of certain funds to an account for UAPB in The University of Arkansas Foundation, Inc. ("Foundation").

I will review the situation. For a number of years UAPB has participated in a program under Title III for strengthening your endowment and pursuant to the program private funds have been raised through the Foundation to be matched by federal funds and your funds have been held in an account in Simmons Bank as an endowed fund established by UAPB and invested in accordance with federal regulations. The federal regulations as to the use and restriction of these funds last 20 years and have now expired as to endowed funds established in 1985 and 1986. The 1985 Fund consisted originally of \$240,188 and the 1986 Fund consisted of \$116,130. Half of each amount represents private funds transferred from the Foundation and half represents federal grant funds under Title III. The 1985 Fund has now grown to approximately \$587,650 and the 1986 Fund has grown to \$284,105.

Since the federal restrictions on the investment and use of this endowment with respect to these funds have currently expired or will soon do so, you now propose to transfer the amount of these funds representing the original private donation to an account for UAPB in The University of Arkansas Foundation, Inc. which would be unrestricted as to use although the law requires they be used "for any educational purpose."

There are two dimensions to your question. First, purely as matter of state law, whether funds which were originally donated to the Foundation from private sources and subsequently were transferred to the University for the Title III program, may be returned to the Foundation to be held as unrestricted funds. The answer to this in part is based upon the policy of the Foundation to accept and hold only private donations and not public funds, although you only propose returning to the Foundation the amount originally held by it as private donations. The second dimension to the question is whether there were any restrictions on these funds when they

originally were donated to the Foundation. I believe you have previously advised that 20 years ago these funds were donated to the Foundation as unrestricted funds although they subsequently were used by UAPB to meet the matching requirements for the Title III program to strengthen endowments. Under the law (20 U.S.C. § 1065(a)(2)(B)) these matching funds became a part of the "endowment fund corpus" and after 20 years could be used "for any educational purpose." I know of no document creating the Title III endowment other than the grant application and there are no restrictions on the use of these funds other than those contained in federal law and regulations governing the program.

Based on the foregoing, I think it is within Dr. Davis' discretion to have what originally were private funds transferred back to an unrestricted account in the Foundation subject to the requirement that they may be expended "for any educational purpose."

Call if you have questions.

Sincerely,

Fred H. Harrison
General Counsel.

cc: Ms. Dianna Lee

12/22/08

Liz Strickland

From: Margaret Hall
Sent: Friday, February 10, 2012 12:04 PM
To: Liz Strickland; Libra C. Roulhac
Subject: FW: Title III Endowment

Importance: High

Margaret Martin-Hall

From: Margaret Hall
Sent: Monday, December 22, 2008 9:54 AM
To: 'Fred Harrison'
Cc: Lawrence A. Davis; Libra C. Roulhac; Pauline Thomas; 'Barbara Goswick'
Subject: Title III Endowment

Fred,

The second Title III Endowment Grant (1986) has been released by the federal government. Based upon the manner in which you directed us to handle the 1985 transactions we would handle the 1986 transactions based upon the following:

The total fund pool for 1985 & 1986 (as of December 10, 2009) is	\$304,903.04
Funds restricted to the H. Davis & L. Johnson Scholarships from the 1985 grant is	\$15,244.05
After subtracting the 1985 scholarship fund the balance remaining for the 1986 grant is	\$289,678.99
Five percent of the 1986 grant is restricted to the H. Davis & L. Johnson scholarships	\$14,483.95
After subtracting the 1986 scholarship funds the balance remaining for the 1986 grant is	\$275,195.04
{unrestricted)	
Fifty percent (50%) of the 1986 scholarship funds should be returned to the Foundation	\$7,241.98
Fifty percent (50%) of the 1986 unrestricted funds should be returned to the Foundation	\$137,597.52

If we should make adjustments in how the funds are handled, please let me know.

Thanks!



Margaret Martin-Hall, Ed.D.
Director
University Relations & Development
University of Arkansas at Pine Bluff
1200 N. University Drive
Mail Slot 4981
Pine Bluff AR 71601
870 575 8701 Telephone
870 575 4605 Fax
hallm@uapb.edu