

WALTON FAMILY
FOUNDATION



December 4, 2017

Mr. Peter G. Kumpe and Mr. Mark E. Power
University of Arkansas Fayetteville Campus Foundation, Inc.
535 Research Center Blvd., Suite 120
Fayetteville, AR 72701

RE: Grant #2017-[REDACTED]

Dear Mr. Kumpe and Mr. Power,

It is my pleasure to inform you that the Walton Family Foundation, Inc. ("Foundation") has approved a three-year grant in the amount of \$10,234,000.00 to the University of Arkansas Fayetteville Campus Foundation, Inc. ("Grantee"). The project term will be November 15, 2017 to October 1, 2020. This grant is subject to the following terms and conditions:

1. **Purpose:** The purpose of the grant is to establish a world-class institution dedicated to the recruitment and training of classroom educators and school leaders for the state's highest-need, highest-poverty schools across the state. This grant is more fully described in Grantee's proposal dated August 30, 2017.

Grantee agrees to use all grant funds exclusively for the grant's purposes. Any changes in these purposes must be authorized in advance by the Foundation in writing.

2. **Amount: Ten Million, Two Hundred and Thirty-Four Thousand Dollars (\$10,234,000.00).**

Grant payments will be made as follows:

Installment	Amount	Date
#1	\$2,029,000.00	Upon completion of a signed grant agreement
#2	\$3,425,000.00	10/15/2018
#3	\$4,780,000.00	10/15/2019

3. **Payable:** Initial installment of \$2,029,000.00 shall be initiated upon receipt of this completed letter from Grantee acknowledging the terms and conditions set forth herein. Grantee should receive the initial installment electronically within 14 days of completion of this grant agreement.

Further installments shall be contingent upon the Foundation's approval of the Grantee's activities of the grant as evidenced by the reports described in paragraph 5 below and other information the Foundation may gather.

4. **Accounting:** (a) The Foundation encourages, whenever feasible, the deposit of grant funds in an interest-bearing account. For purposes of this letter, the term "grant funds" includes the grant and any income earned thereon.

(b) Grantee will maintain records of receipts and expenditures made in connection with the grant funds and will keep these records during the period covered by the Grantee's reporting obligations specified in paragraph 5 and for at least four years thereafter ("Maintenance Period"). Grantee will make its books and records in connection with the grant funds available for inspection by the Foundation during



normal business hours as the Foundation may request at any time during the Maintenance Period.

5. **Reporting and Evaluation:** Grantee will provide the Foundation with financial and narrative reports by the due dates listed in the report schedule below. Each report shall include an account of expenditures of grant funds, and a brief narrative of what was accomplished (including a description of progress made in fulfilling the purposes of the grant and a confirmation of Grantee's compliance with the terms of the grant).

Report Date	Report Type
10/1/2018	Interim Financial and Narrative
10/15/2019	Interim Financial and Narrative
10/1/2020	Final Financial and Narrative

Success will be measured against the outputs and outcomes described in Appendix A.

All reports will be sent electronically to [REDACTED]. Please reference Grant #2017-[REDACTED] on all reports submitted.

Grantee payments are always contingent upon the Foundation's approval of Grantee's operations based on the above reports and the Foundation's satisfaction with such information as it chooses to obtain from other sources.

6. **Representations:** Grantee represents and warrants to the Foundation that:

(a) Grantee is an organization in good standing, is either an organization described in section 501(c)(3) of the Internal Revenue Code ("Code") or a governmental unit, and is not a "private foundation" described in section 509(a) of the Code. Grantee will promptly notify the Foundation of any change in Grantee's tax status under the Code.

(b) In no event will Grantee use any grant funds:

(i) to carry on propaganda, or otherwise to attempt, to influence legislation;

(ii) to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive; or

(iii) to undertake any activity other than for a charitable, educational or other exempt purpose specified in section 170(c)(2)(B) of the Code.

(c) Grantee will comply with all applicable laws and regulations.

7. **Repayment:** Grantee agrees to repay to the Foundation any portion of the grant funds not used for the grant's purposes. In addition, the Foundation may discontinue any further payments to Grantee, and may direct Grantee to repay any unexpended grant funds to the Foundation, if any of the following events occurs:

(a) Grantee ceases to maintain its tax-exempt status as described in paragraph 6(a) above;

(b) Grantee fails to comply with the terms of this letter; or


(c) There is a material change in Grantee's key personnel that in the sole opinion of the Foundation adversely affects Grantee's management of the grant.

8. **Release and Indemnity:** Unless prohibited by law, Grantee shall release, indemnify, defend and hold harmless the Foundation and its directors, officers, employees and agents from and against any and all claims, actions, suits, demands, damages, losses, expenses and liabilities, arising out of or related in any way to the actions or omissions of Grantee (or its directors, officers, employees, agents or contractors) in connection with the Grant and the project funded by the Grant, except to the extent caused by the Foundation's (or its directors', officers', employees' or agents') negligent actions or omissions. Grantee further agrees to carry insurance in such forms and amounts as are commercially reasonable and appropriate to cover Grantee's operations and to enable Grantee to indemnify and defend the Foundation as provided hereunder.

9. **Grant Publicity:** Grant publicity related to this grant consistent with Grantee's normal practice is permitted, subject to the following provisions. The Foundation expects any announcements and other publicity to focus on Grantee's work and the project or issue funded by the grant. Recognition of the Foundation's role in funding the project is permitted, provided that the timing, content and strategic focus of such publicity should be approved by the Foundation contact listed in paragraph 11. Publicizing the grant and the Foundation in Grantee's publications and communications in a manner consistent with similar grants obtained by Grantee is permitted.

The Foundation may ask Grantee to provide illustrations, photographs, videos, recordings, information or other materials related to the grant (collectively "Grant Work Product") for use in Foundation communications including the Foundation's website, annual report, newsletters, board materials, presentations, communications and other publications. Grantee agrees to provide the Foundation with such items upon the Foundation's reasonable request and hereby grants to the Foundation and anyone acting under the authority of the Foundation a fully paid-up, world-wide, right and license to use, reproduce, display and distribute the Grant Work Product in connection with the Foundation's charitable operations and activities. In connection therewith, Grantee shall be responsible for obtaining all necessary rights and permissions from third parties for the Foundation to use the Grant Work Product for these purposes. By signing this Agreement, Grantee also acknowledges and agrees to use by the Foundation of historical, programmatic and other information relating to Grantee and the grant hereunder.

10. **Gratuities:** The Foundation desires that all of Grantee's resources be dedicated to accomplishing its philanthropic purposes. Therefore, Grantee agrees that it will not furnish the Foundation or its Board of Directors, officers, staff or affiliates with any type of benefit related to this grant including tickets, tables, memberships, commemorative items, recognition items, or any other benefit or gratuity of any kind.

11. **Contact:** For all communications regarding this grant, your point of contact at the Foundation will be Kathy Smith, Senior Program Officer. Your Program Officer can be contacted via phone or email as follows: Telephone number **Wazette** and Email @wffmail.com. Please reference Grant #2017-[REDACTED] in your communication.

By electronically signing this letter the Grantee acknowledges and agrees to the terms and conditions herein. A copy of the completed document will be emailed to the Grantee through DocuSign. If the electronic signing of this letter is not completed by December 15, 2017 the Foundation will consider the Grantee to have declined the grant.

On behalf of the Foundation, I extend every good wish for the success of your organization's endeavors.

Sincerely,

[REDACTED]

Kyle J. Peterson
Executive Director

ACKNOWLEDGED AND AGREED

By: [REDACTED] 12/5/2017 | 2:16:43 PM CST
Peter G. Kumpe (Date)
University of Arkansas Fayetteville Campus Foundation, Inc.

By: [REDACTED] 12/5/2017 | 1:28:32 PM CST
Mark E. Power (Date)
University of Arkansas Fayetteville Campus Foundation, Inc.

cc: Jamie Banks
Jared Henderson
Dr. Michael Miller

**Appendix A: University of Arkansas Fayetteville Campus Foundation, Inc.
Arkansas Academy for Educational Equity**

Output and Outcome Performance Measures

Outputs And Outcomes		
Who will do what and how much?	By when?	Measured or evaluated by?
<p>Goal: To build RECRUITMENT systems and processes that will yield 200 master degree candidates over three years and enable efficient and effective growth indefinitely into the future.</p>		
Outputs		
At least 200 qualified candidates will successfully apply and matriculate into this institution.	At least 25 teachers will begin training in summer 2018, 75 in summer 2019 and 100 in Summer 2020.	Signed acceptance/enrollment letters. Physical presence and associated records at training Summer Induction.
Recruitment focused full-time staff will complete a 3 year strategic plan for recruitment and admissions. The completed plan will include pipeline targets, partnership goals, priority marketing strategies and comprehensive admissions tools (e.g., interview exercises and evaluation rubrics).	Complete by July 2018 (to leverage lessons from year 1 recruitment).	Formal written documentation submitted to Principal Investigator.
Outcomes		
Enough applicants meeting admissions criteria will apply and accept offers each year to hit enrollment growth goals. Three applicants meet criteria for every two positions filled at the Academy each year.	By the recruitment season in year three (2019-2020).	Signed acceptance/enrollment letters.
<p>Goal: To pilot 3-5 district partnerships in the first three years that lead to unambiguous district satisfaction, sustainable operations and a model for selecting additional districts and fostering consistently effective collaboration with all partners.</p>		
Outputs		
Full-time staff will design a comprehensive MOU that outlines necessities and aspirations for a worthwhile district partnership (including, but not limited to the identification and sharing of student learning and teacher effectiveness data).	By March 1, 2018.	Formal MOU document for 2018-2019 school year.
At least three districts demonstrate the willingness to collaborate with this institution in year one and are deemed to have the necessary pre-conditions for success.	By May 1, 2018.	Signed MOU document.
Full-time staff will design tested criteria for expanding to new districts effectively.	By March 1, 2019.	Updated MOU document for 2019-2020 school year.

Proactive engagement with at least 10 candidate districts for partnership by 2020-2021 school year.	By September 2019.	Scheduled meetings with agendas and minutes submitted to Principal Investigator.
Outcomes		
Principals will report objective improvement in at least 85% of the 25+ classrooms supported by this initiative (assessed, in part, by the student learning and teacher effectiveness measures established in the MOU).	By end of 2018-2019 school year.	Interviews with principals that directly assess the student learning and teacher effectiveness measures in the MOU. Requests for continued partnership.
Valid district requests for partnership (in which districts meet collaboration criteria) will meet or exceed recruitment and staffing capacity, leading to a minimal perpetual expansion of 2 districts each year.	By end of 2019-2020 school year.	Formal, documented requests for partnership from Arkansas districts.
Goal: To establish a sustainable INSTITUTION with the staff, revenue and cost models, culture, performance management systems and administrative processes that will deliver world-class results that can ultimately play a decisive role in the full range of Arkansas' human capital needs in education.		
Outputs		
Full-time staff members (outlined in attachment 'Personnel Salaries.xls') will be hired by the University and operating effectively.	75% of the staff will be hired by April 1, 2018. 90% by July 1, 2018.	University hiring employment records.
Each full-time staff member will establish quarterly process benchmarks for the next two operating quarters.	Established by January 2018 for all hired staff members. Refreshed every 90 days.	Reports to Principal Investigator produced by full-time staff.
Full-time staff will spend less than or equal to budget outlined in this grant with a goal of lowering the cost per teacher 5 percent over the course of the grant.	Reports and tracking will align with the University's fiscal year ending on June 30, 2018.	Reports to Principal Investigator. Reporting and tracking by University grant management and accounting.
Outcomes		
Districts, participating teachers and the state will cover all variable operating costs for this institution.	This will be true by July 2020.	MOUs for district and state. Tuition payment records with the University.
Goal: to recruit and retain educators in Arkansas' highest need schools through demonstrably effective professional development.		
Outputs		
Full-time staff will deliver a comprehensive scope and sequence of professional development with associated operational plans.	A complete plan will be produced by May 1, 2018.	The existence of a clear document provided to the Principal Investigator.

Full-time staff will deliver a revised, complete scope and sequence of professional development with associated operational plans based on accumulated learnings from year 1 implementation and proactive research on cutting edge best practices.	A complete plan will be produced by May 1, 2019 and every 12 months thereafter.	The existence of a clear document provided to the Principal Investigator.
The leader of this institution will ensure a team structure and budget allocations that can deliver on updated plans.	A complete plan will be produced by May 1, 2019 and every 12 months thereafter.	A formal, written update provided to the Principal Investigator.
Outcomes		
Principals rate 80% of teachers as more effective than their peers using TESS, ACT Aspire performance and any other relevant measures.	By end the beginning of the 2019-2020 school year and every 12 months thereafter. This assumes that all needed data on a school year is in hand no later than the beginning of the following school year.	Principal interviews, TESS ratings, ACT Aspire Data.
At least 70% of teachers remain in a high needs school in Arkansas the year after their training year. Where applicable, 90% will also testify unambiguous improvement in teacher performance over the previous school year.	By first day of school 2019-2020 and every 12 months thereafter.	District employment documentation.
At least 80% of participating teachers recommend this experience to peers without reservation.	By May 1, 2018 and every 12 months thereafter.	Measured by surveys.
Who will do what and how much?	By when?	Measured or evaluated by?
Goal: To build RECRUITMENT systems and processes that will yield 200 master degree candidates over three years and enable efficient and effective growth indefinitely into the future.		
Outputs		
At least 200 qualified candidates will successfully apply and matriculate into this institution.	At least 25 teachers will begin training in July 2018, 75 in July 2019 and 100 in July 2020.	Signed acceptance/enrollment letters. Physical presence and associated records at training induction in July.
Recruitment focused full-time staff will complete a 3 year strategic plan for recruitment and admissions will be completed, including pipeline targets, partnership goals, priority marketing strategies and comprehensive admissions tools (e.g., interview exercises and evaluation rubrics).	Complete by July 2018 (to leverage lessons from year 1 recruitment).	Formal written documentation submitted to Principal Investigator.

Outcomes		
Enough qualified applicants will apply and accept offers each year such that participant talent is not a limiting factor for impact.	By the recruitment season in year three (2019-2020).	Signed acceptance/enrollment letters.
Goal: To pilot 3-5 district partnerships in the first three years that lead to unambiguous district satisfaction, sustainable operations and a model for selecting additional districts and fostering consistently effective collaboration with all partners.		
Outputs		
Full-time staff will design a comprehensive MOU that outlines necessities and aspirations for a worthwhile district partnership.	By March 1, 2018.	Formal MOU document for 2018-2019 school year.
At least three districts demonstrate the willingness to collaborate with this institution in year one and are deemed to have the necessary pre-conditions for success.	By May 1, 2018.	Signed MOU document.
Full-time staff will design tested criteria for expanding to new districts effectively.	By March 1, 2019.	Updated MOU document for 2019-2020 school year.
Proactive engagement with at least 10 candidate districts for partnership by 2020-2021 school year.	By September 2019.	Scheduled meetings with agendas and minutes submitted to Principal Investigator.
Outcomes		
Principals will report objective improvement in at least 85% of the 25+ classrooms supported by this initiative.	By end of 2018-2019 school year.	Interviews with principals. Requests for continued partnership.
Valid district requests for partnership (in which districts meet collaboration criteria) will meet or exceed recruitment and staff capacity leading to a minimal perpetual expansion of 2 districts each year.	By end of 2019-2020 school year.	Formal, documented requests for partnership from Arkansas districts.
Goal: To establish a sustainable INSTITUTION with the staff, revenue and cost models, culture, performance management systems and administrative processes that will deliver world-class results that can ultimately play a decisive role in the full range of Arkansas' human capital needs in education.		
Outputs		
Full-time staff members (outlined in attachment 'Personnel Salaries.xls') will be hired by the University and operating effectively.	75% of the staff will be hired by April 1, 2018. 90% by July 1, 2018.	University hiring employment records.
Each full-time staff member will establish quarterly process benchmarks for the next two operating quarters.	Established by January 2018 for all hired staff members. Refreshed every 90 days.	Reports to Principal Investigator produced by full-time staff.

Full-time staff will spend less than or equal to budget outlined in this grant with a goal of lowering the cost per teacher over the course of the grant.	Reports and tracking will align with the University's fiscal year ending on June 30, 2018.	Reports to Principal Investigator. Reporting and tracking by University grant management and accounting.
Outcomes		
Districts, participating teachers and the state will cover all variable operating costs for this institution.	This will be true by July 2020.	MOUs for district and state. Tuition payment records with the University.
Goal: To recruit and retain educators in Arkansas' highest need schools through demonstrably effective professional development.		
Outputs		
Full-time staff will deliver a comprehensive scope and sequence of professional development with associated operational plans.	A complete plan will be produced by May 1, 2018.	The existence of a clear document provided to the Principal Investigator.
Full-time staff will deliver a revised, complete scope and sequence of professional development with associated operational plans based on accumulated learnings from year 1 implementation and proactive research on cutting edge best practices.	A complete plan will be produced by May 1, 2019 and every 12 months thereafter.	The existence of a clear document provided to the Principal Investigator.
The leader of this institution will ensure a team structure and budget allocations that can deliver on updated plans.	A complete plan will be produced by May 1, 2019 and every 12 months thereafter.	A formal, written update provided to the Principal Investigator.
Outcomes		
Principals rate 80% of teachers as more effective than their peers using TESS, ACT Aspire performance and any other relevant measures.	By end of 2018-2019 school year and every 12 months thereafter.	Principal interviews, TESS ratings, ACT Aspire Data.
At least 70% of teachers remain in a high needs school in Arkansas the year after their training year. Where applicable, 90% will also testify unambiguous improvement in teacher performance over the previous school year.	By first day of school 2019-2020 and every 12 months thereafter.	District employment documentation.
At least 80% of participating teachers recommend this experience to peers without reservation.	By May 1, 2018 and every 12 months thereafter.	Measured by surveys.

WINDGATE CHARITABLE FOUNDATION
P.O. BOX 826
SILOAM SPRINGS, ARKANSAS 72761-0826

November 6, 2017

Michael T. Miller, Dean
College of Education and Health Professions
University of Arkansas
324 Graduate Education Building
Fayetteville, Arkansas 72701

Dear Dr. Miller:

I am pleased to inform you that the Board of Directors of the Windgate Charitable Foundation has awarded to the College of Education and Health Professions, a grant of \$1,333,675 (\$266,735 per year x 5) for the "Arkansas A+ Schools Merger." The first payment will be paid in December of 2017.

Our board members always enjoy receiving a report on your grant-related activities and results. I will ask that the report be made to our office by the date set out in the grant conveyance letter.

We wish you great success in the coming year. ⁷ ↙

Sincerely,


John E. Brown III
Executive Director

JEB/sll



UNIVERSITY OF ARKANSAS

GIFT AGREEMENT

for the establishment of the

A.L. Chilton EMPOWER Arkansas Endowed Scholarship
A.L. Chilton EMPOWER Arkansas Operational Endowment
A.L. Chilton Advance Arkansas Endowed Scholarship in Special Education

It is the expressed desire of A.L. Chilton Foundation to provide for the establishment of three endowments to support the EMPOWER program in the College of Education and Health Professions at the University of Arkansas, Fayetteville (University).

1. Name

The name of the endowments shall be the A.L. Chilton EMPOWER Arkansas Endowed Scholarship, the A.L. Chilton EMPOWER Arkansas Operational Endowment, and the A.L. Chilton Advance Arkansas Endowed Scholarship in Special Education.

2. Funding

For purposes of establishing these endowments, Donor has contributed the sum of \$500,000 to the University of Arkansas Foundation, Inc. (Foundation). The full \$500,000 will be paid in the following segments; approximately \$166,666 in 2018 with \$10,000 placed into the EMPOWER Arkansas scholarship spending account for awarding in fall 2018 and \$156,666 placed into the EMPOWER Arkansas scholarship account for endowment purposes, approximately \$166,666 paid in 2019 completing the pledge to the EMPOWER Arkansas Endowed Scholarships, then next funding the EMPOWER Arkansas Operational Endowment, then finally in 2020 approximately \$166,666 to complete the EMPOWER Arkansas Operational Endowment and then fund the A.L. Chilton Foundation Advance Arkansas Endowed Scholarship in Special Education. Foundation will manage the fund under the guidelines established and reviewed annually by the Board of Directors of Foundation and the Board of Trustees of the University of Arkansas. The A.L. Chilton Foundation intends to complete this pledge in three separate payments and expects that the funding of these three endowments will be in this order (1) A.L. Chilton EMPOWER Arkansas Endowed Scholarships (\$250,000), (2) A.L. Chilton EMPOWER Arkansas Operational Endowment (\$200,000), and (3) A.L. Chilton Advance Arkansas Endowed Scholarship in Special Education (\$50,000).

3. Purpose

The purpose of these endowments will be as follows:

-A.L. Chilton Foundation EMPOWER Arkansas Endowed Scholarship shall be to provide financial assistance to students enrolled in the EMPOWER program.

-A.L. Chilton Foundation EMPOWER Arkansas Operational Endowment shall provide funds to help sustain and grow the operations costs associated with the EMPOWER program. These funds may be used for things including but not limited to staff salary, mentor stipend, support services as needed by students.

-A.L. Chilton Foundation Advance Arkansas Endowed Scholarship in Special Education shall be awarded with preference to an undergraduate student in the Special Education program in the College of Education and Health Professions who is affiliated with the EMPOWER program in a mentor/internship role. When the endowment has reached the minimum funding level and has been in existence for approximately one year, it will have sufficient earnings to award scholarships. At this time, the scholarship will be eligible for matching funds on the spendable earnings to double the impact of the award(s). The matching funds will be provided by University in support of this scholarship initiative, and will be in existence as long as financially viable. The matching funds will be determined by the level of the endowment when first established, so that a set amount can be projected for each award year. The A.L. Chilton Advance Arkansas Endowed Scholarship in Special Education will be to support new, returning, and transfer students from Arkansas who exhibit financial need, records of academic success, and a strong desire to complete their degree at University. Award preference may be given in the categories of first generation, community leader, talented transfer, or resilient Razorback.

4. Administration

The application process and the selection of the recipients of the A.L. Chilton Foundation EMPOWER Arkansas Scholarship shall reside with the EMPOWER program director, with approval from the Dean of the College of Education and Health Professions. The selection of the A.L. Chilton Foundation Advance Arkansas Endowed Scholarship in Special Education will be the responsibility of the Vice Provost for Enrollment, or his or her designee in consultation with the Vice Chancellor for Student Affairs, in accordance with the criteria established for the Advance Arkansas scholarships, and is eligible for renewal regardless of the student's field of study with acceptable progress toward a degree. The use of the A.L. Chilton Foundation EMPOWER Arkansas Operational Endowment shall be at the discretion of the program director with approval of the Dean from the College of Education and Health Professions.

5. Standard Terms and Conditions

This Gift Agreement will further be subject to the policies and procedures of University and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference and by the Arkansas Uniform Prudent Management of Institutional Funds Act.

6. Acceptance

The foregoing terms and conditions will be effective only upon agreement and proper execution thereof by Donor, the Chancellor, the Vice Chancellor for Advancement, the Dean of the College of Education and Health Professions, and acceptance by Foundation and the Board of Trustees of the University of Arkansas. Signatories to this agreement understand that the investment of this fund will be managed by Foundation under the terms described herein, and that the disbursement of income is to be administered by the Dean of the College of Education and Health Professions.

Agreed to by Donor:

[Redacted Signature]

Patti Brown
A.L. Chilton Foundation

1-26-18
Date

[Redacted Signature]

Bonnie Harding
A.L. Chilton Foundation

Jan 26 2018
Date

Agreed to by the Dean of the College of Education and Health Professions at the University of Arkansas:

[Redacted Signature]

Michael T. Miller

1/29/18
Date

Agreed to by the Vice Provost for Enrollment Services at the University of Arkansas:

[Redacted Signature]

Suzanne McCray

1/29/18
Date

Agreed to by the Vice Chancellor for Student Affairs at the University of Arkansas:

[Redacted Signature]

Charles F. Robinson

1-29-18
Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas:



Mark Power

1/29/18
Date

Agreed to by the Chancellor at the University of Arkansas:



Joseph E. Steinmetz

1-30-2018
Date



GIFT AGREEMENT

for the establishment of the

KATV Preservation Project

It is the expressed desire of Mrs. Barbara A. Tyson and Tyson Foods Foundation, Inc. (Donors) to provide for the establishment of a fund for the benefit of The David and Barbara Pryor Center for Arkansas Oral and Visual History in the J. William Fulbright College of Arts and Sciences at the University of Arkansas, Fayetteville (University).

1. Name

The name of the fund will be the "KATV Preservation Project."

2. Funding

For purposes of establishing this fund, Donors have contributed the sum of \$1,500,000 to the University of Arkansas Foundation, Inc. (Foundation). Foundation will manage the fund under the guidelines established and reviewed annually by the Board of Directors of Foundation and the Board of Trustees of the University of Arkansas.

3. Purpose

The purpose of the KATV Preservation Project will be to catalogue, index, digitize and archive the extensive collection of KATV footage donated to the Pryor Center in 2009. KATV, the ABC affiliate in Little Rock, accumulated news footage for more than 50 years, creating one of the largest local TV news archives in the country. It is a priceless visual representation of Arkansas history. The bulk of this footage has not been seen by the public since it was first broadcast, and access to this exceptional collection will provide a unique opportunity for researchers, students, educators and the public to gain many new perspectives about Arkansas history.

4. Administration

The use of funds designated to the KATV Preservation Project will be the responsibility of the Dean of the J. William Fulbright College of Arts and Sciences, or his or her designee, in accordance with the following criteria: Funds will go to support the KATV Preservation Project and any related activities. Permissible examples of these activities could include, but are not limited to: footage digitization; meta-data construction; equipment purchases; staff and consultation service hires; storage of original and digitized media; and facility upgrades to accommodate the project.

5. Standard Terms and Conditions


This Gift Agreement will further be subject to the policies and procedures of University and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference and by the Arkansas Uniform Prudent Management of Institutional Funds Act.

6. Acceptance

The foregoing terms and conditions will be effective only upon agreement and proper execution thereof by Donors, the Chancellor, the Vice Chancellor for Advancement, the Dean of the J. William Fulbright College of Arts and Sciences, and acceptance by Foundation and the Board of Trustees of the University of Arkansas. Signatories to this agreement understand the investment of this fund will be managed by Foundation under the terms described herein, and that the disbursement is to be administered by the Dean of the J. William Fulbright College of Arts and Sciences.

Agreed to by Donors:


Barbara A. Tyson 11-2-17
Date


Archie Schaffer 11/2/17
Date
Director, Tyson Foods Foundation, Inc.

Agreed to by the Dean of the J. William Fulbright College of Arts and Sciences at the University of Arkansas:


Todd Shields 11-2-17
Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas:


Mark Power 11/2/17
Date

Agreed to by the Chancellor at the University of Arkansas:

[Redacted Signature]

Joseph Steinhilber

11/6/2017
Date



UNIVERSITY OF
ARKANSAS

GIFT AGREEMENT

for the establishment of an

Advance Arkansas Endowed Scholarship

It is the expressed desire of Rick Massey (JD 1984 Law) and Anne Massey (BA 1984 Fulbright) to provide for the establishment of an endowed scholarship for the benefit of the University of Arkansas, Fayetteville (University).

1. Name

Donor does not wish to name the endowed scholarship at this time; however, Donor still reserves the right to a naming opportunity in the future.

2. Funding

For purposes of establishing this scholarship endowment, Donor shall contribute the sum of \$2 million to the University of Arkansas Foundation, Inc. (Foundation) to be paid in two payments of \$1 million in 2017 and \$1 million in January 2018. The Foundation will manage the fund under the guidelines established and reviewed annually by the Board of Directors of Foundation and the Board of Trustees of the University of Arkansas.

When the endowment has been in existence for approximately one year, it will have sufficient earnings to award scholarships. At this time, the scholarship will be eligible for matching funds on the spendable earnings to double the impact of the award(s). The matching funds will be provided by University in support of this scholarship initiative, and will be in existence as long as financially viable. The matching funds will be determined by the level of the endowment when first established, so that a set amount can be projected for each award year.

3. Purpose

The purpose of this Advance Arkansas Endowed Scholarship will be to support new, returning, and transfer students from Arkansas who exhibit financial need, records of academic success, and a strong desire to complete their degree at University. Award preference may be given in the categories of first generation, community leader, talented transfer, or resilient Razorback, and is renewable to students regardless of their field of study with acceptable progress toward a degree.

4. Administration

The selection of the recipients of the Advance Arkansas Endowed Scholarship will be the responsibility of the Vice Provost for Enrollment, or his or her designee in consultation with the Vice Chancellor for Student Affairs, in accordance with the criteria established for Advance Arkansas scholarships.

5. Standard Terms and Conditions

This Gift Agreement will be subject to the policies and procedures of University and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference and by the Arkansas Uniform Prudent Management of Institutional Funds Act.

6. Acceptance

The foregoing terms and conditions will be effective only upon agreement and proper execution thereof by Donor, the Vice Chancellor for Advancement, the Vice Chancellor for Student Affairs, the Vice Provost for Enrollment, the Chancellor and acceptance by Foundation and the Board of Trustees of the University of Arkansas. Signatories to this agreement understand the investment of this fund will be managed by Foundation under the terms described herein, and that the disbursement of income is to be administered by the Vice Provost for Enrollment at University.

Agreed to by Donor:

[Redacted Signature]

Rick Massey

11/2/17
Date

[Redacted Signature]

Anne Massey
Goodman

11/21/17
Date

Agreed to by the Vice Provost for Enrollment in Enrollment Services at the University of Arkansas:

[Redacted Signature]

Suzanne Ivie Clay

11/28/17
Date

Agreed to by the Vice Chancellor for Student Affairs at the University of Arkansas:

[Redacted Signature]

Charles F. Robinson

11-28-17

Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas:

[Redacted Signature]

Mark Power

11-28-17

Date

Agreed to by the Chancellor at the University of Arkansas:

[Redacted Signature]

Joseph E. Steinmetz

11/30/2017

Date

THE SUNDERLAND FOUNDATION

11011 CODY STREET • OVERLAND PARK, KANSAS 66210
PHONE 913 / 451-8900 • FAX 913 / 345-4250

December 7, 2017

Dr. W. Micah Hale
University of Arkansas
Department of Civil Engineering
4190 Bell Engineering Center
Fayetteville, AR 72701

Dear Dr. Hale:

We have reviewed your request for a grant from this Foundation for the University of Arkansas. The Board of this Foundation has approved a contribution of \$500,000.00 for constructing the research and education center.

We are pleased to be able to support the University of Arkansas Department of Civil Engineering and wish you every success.

Sincerely,

A solid black rectangular box used to redact the signature of the sender.

KWS/srj



UNIVERSITY OF
ARKANSAS

GIFT AGREEMENT

for the establishment of the

David P. Nelson Theatre Program-Wide Endowment

It is the expressed desire of David P. Nelson (BSBA 1980) to provide for the establishment of one program-wide endowment fund to benefit the J. William Fulbright College of Arts & Sciences Department of Theatre at the University of Arkansas, Fayetteville.

1. Name

The name of the funds will be the "David P. Nelson Theatre Program-Wide Endowment."

2. Funding

For purposes of establishing the funds Donor has agreed to contribute the sum of \$1,000,000.00 through a bequest to the University of Arkansas Foundation, Inc. The amount of said donation is totally dependent upon the assets of the William F. McManus and David P. Nelson Revocable Trust dated December 21, 2006, as amended, which exist at the time of death of the later of William F. McManus or David P. Nelson. The Foundation understands and acknowledges that no guarantee of the amount available to fund the David P. Nelson Theatre Program-Wide Endowment is intended. The Foundation will manage the funds under the guidelines established and reviewed annually by the Board of Directors of the Foundation and the Board of Trustees of the University of Arkansas.

3. Purpose

The purpose of the David P. Nelson Theatre Program-Wide Endowment will be to benefit the Department of Theatre program within the J. William Fulbright College of Arts & Sciences.

4. Administration

The selection of the recipients of the David P. Nelson Theatre Program-Wide Endowment will be the responsibility of the Dean of the J. William Fulbright College of Arts & Sciences, or his or her designee in accordance with the following criteria.

- This endowment will be available to students, faculty, staff and programming at the discretion of the Dean of the J. William Fulbright College of Arts & Sciences, or his or her designee.

5. Standard Terms and Conditions

This Gift Agreement will further be subject to the policies and procedures of the University of Arkansas, Fayetteville, and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference, and the Arkansas Uniform Prudent Management of Institutional Funds Act.

6. Acceptance

The foregoing terms and conditions will be effective only upon agreement and proper execution thereof by the Donor, the Chancellor, the Vice Chancellor for Advancement, the Dean of the J. William Fulbright College of Arts & Sciences, and acceptance by the University of Arkansas Foundation, Inc. and the University of Arkansas Board of Trustees. Signatories to this agreement understand that the investment of this fund will be managed by the University of Arkansas Foundation, Inc. under the terms described herein, and that the disbursement of income is to be administered by the Dean of the J. William Fulbright College of Arts & Sciences at the University of Arkansas, Fayetteville.

Agreed to by the Donor:


David P. Nelson
March 5, 2018
Date

Agreed to by the Dean of the J. William Fulbright College of Arts & Sciences at the University of Arkansas, Fayetteville:


Todd G. Shields
3-13-18
Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas, Fayetteville:


Mark E. Power
3-14-18
Date

Agreed to by the Chancellor at the University of Arkansas, Fayetteville:


Joseph E. Steinmetz
3/14/2018
Date



UNIVERSITY OF
ARKANSAS

GIFT AGREEMENT

for the establishment of the

Kelly and Steve Barnes Health and Wellbeing Innovation Fund

It is the expressed desire of Kelly (Walton BSBA 1987, MSA 1988) and Steve (BSBA 1988) Barnes (Donor) to provide for the establishment of a quasi-endowed fund for the creation of Health and Wellbeing Innovation Fund in the Sam M. Walton College of Business (College) at the University of Arkansas, Fayetteville (University).

1. Name

The name of the fund will be known as the Kelly and Steve Barnes Health and Wellbeing Innovation Fund.

2. Funding

For purposes of establishing this quasi-endowment, Donor will contribute the sum of \$400,000 to the University of Arkansas Foundation, Inc. (Foundation) in June of 2018. Foundation will manage the fund under the guidelines established and reviewed annually by the Board of Directors of Foundation and the Board of Trustees of the University of Arkansas.

In consideration of the reliance of Foundation and University on Donor's pledge herein in establishing and announcing the Kelly and Steve Barnes Health and Wellbeing Innovation Fund, and undertaking expenditures and commitments to establish the quasi-endowment and other considerations, Donor agrees individually and for his/her estate, executor and heirs to be legally bound to fully perform the terms of his pledge herein.

Additionally, Donor will contribute \$100,000 for immediate spending (non-endowed) for the Fund on the following schedule, \$60,000 in June of 2018, and \$10,000 per year for each of the following four years, concluding in June of 2022.

3. Purpose

The purpose of the Kelly and Steve Barnes Health and Wellbeing Innovation Fund will be to engage students in innovation by activating multi-disciplinary student design teams. These teams will focus on prototyping new models of delivery, services, products and policies in the Health and Wellness industry, with key priorities guided by an advisory council of

experts, startups, and industry. This program will equip the teams with workshops and experiential learning opportunities to enable the students to innovate the next generation of Health and Wellbeing consumer experiences.

The fund will be used to cover expenses related to the program, including student internships and scholarships, marketing expenses, prototyping grants, prize money for the design teams, demonstration events, faculty and student research, faculty and student travel, related staff, and start-up costs.

4. Administration

The administration of the funds shall be subject to approval by the Dean of the Sam M. Walton College of Business or his/her designee.

5. Standard Terms and Conditions

This Gift Agreement will further be subject to the policies and procedures of University and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference and by the Arkansas Uniform Prudent Management of Institutional Funds Act.

6. Acceptance

The foregoing terms and conditions will be effective only upon agreement and proper execution thereof by Donor, the Vice Chancellor for Advancement and the Dean of the Sam M. Walton College of Business, and acceptance by Foundation and the Board of Trustees of the University of Arkansas. Signatories to this agreement understand that the investment of this fund will be managed by Foundation under the terms described herein, and that the disbursement of income is to be administered by the Dean of the Sam M. Walton College of Business.

Agreed to by Donor:



Kelly A. Barnes

6 May 2018
Date



Steve M. Barnes

6 May 2018
Date

Agreed to by the Dean of the Sam M. Walton College of Business at the University of Arkansas:



Matthew A. Waller

5-2-18
Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas:



Mark Power

5-17-18
Date

WALTON FAMILY
FOUNDATION

October 23, 2017

Mark Power
Vice Chancellor for Advancement
University of Arkansas Foundation, Inc.
University of Arkansas
ADMN 416
Fayetteville, AR 72701

RE: Grant #2017-1481

Dear Mr. Power,

It is my pleasure to inform you that the Walton Family Foundation, Inc. ("Foundation") has approved a grant in the amount of \$823,079.00 to the University of Arkansas Foundation, Inc. ("Grantee"). The project term will be July 2017 to July 2020. This grant supersedes and replaces the Walton Family Foundation grant dated October 5, 2017, which becomes null and void upon execution of this grant. This grant is subject to the following terms and conditions:

1. **Purpose:** The purpose of the grant is to provide support for the University of Arkansas Office for Education Policy to continue its work in providing research and policy issue papers for policymakers and education advocates across the state. This grant is more fully described in Grantee's proposal dated July 1, 2017 and the updated final budget (Appendix A). Grantee agrees to use all grant funds exclusively for the grant's purposes. Any changes in these purposes must be authorized in advance by the Foundation in writing.

2. **Amount:** Eight Hundred Twenty-Three Thousand, Seventy-Nine Dollars (\$823,079.00).

Grant payments will be made as follows:

Installment	Amount	Date
#1	\$270,187.00	Upon completion of a signed grant agreement
#2	\$272,367.00	7/30/2018
#3	\$280,525.00	7/30/2019

3. **Payable:** Initial installment of \$270,187.00 shall be initiated upon receipt of this completed letter from Grantee acknowledging the terms and conditions set forth herein. Grantee should receive the initial installment electronically within 14 days of completion of these documents.

Further installments shall be contingent upon the Foundation's approval of the Grantee's activities of the grant as evidenced by the reports described in paragraph 5 below and other information the Foundation may gather.

✓ www.waltonfamilyfoundation.org | Tel: 479-575-1100 ✓ Fax: 479-575-1100

www.waltonfamilyfoundation.org

4. **Accounting:** (a) The Foundation encourages, whenever feasible, the deposit of grant funds in an interest-bearing account. For purposes of this letter, the term "grant funds" includes the grant and any income earned thereon.

(b) Grantee will maintain records of receipts and expenditures made in connection with the grant funds and will keep these records during the period covered by the Grantee's reporting obligations specified in paragraph 5 and for at least four years thereafter ("Maintenance Period"). Grantee will make its books and records in connection with the grant funds available for inspection by the Foundation during normal business hours as the Foundation may request at any time during the Maintenance Period.

5. **Reporting and Evaluation:** Grantee will provide the Foundation with financial and narrative reports by the due dates listed in the report schedule below. Each report shall include an account of expenditures of grant funds, and a brief narrative of what was accomplished (including a description of progress made in fulfilling the purposes of the grant and a confirmation of Grantee's compliance with the terms of the grant).

Report Date	Report Type
7/15/2018	Financial & Narrative
7/15/2019	Financial & Narrative
7/15/2020	Final report

Success will be measured against the outputs and outcomes described in Appendix B.

All reports will be sent electronically to reports@wffmail.com. Please reference Grant #2017-1481 on all reports submitted.

Grantee payments are always contingent upon the Foundation's approval of Grantee's operations based on the above reports and the Foundation's satisfaction with such information as it chooses to obtain from other sources.

6. **Representations:** Grantee represents and warrants to the Foundation that:

(a) Grantee is an organization in good standing, is either an organization described in section 501(c) (3) of the Internal Revenue Code ("Code") or a governmental unit, and is not a "private foundation" described in section 509(a) of the Code. Grantee will promptly notify the Foundation of any change in Grantee's tax status under the Code.

(b) In no event will Grantee use any grant funds:

- (i) to carry on propaganda, or otherwise to attempt, to influence legislation;
- (ii) to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive; or
- (iii) to undertake any activity other than for a charitable, educational or other exempt purpose specified in section 170(c)(2)(B) of the Code.

(c) Grantee will comply with all applicable laws and regulations.

7. **Repayment:** Grantee agrees to repay to the Foundation any portion of the grant funds not used for the grant's purposes. In addition, the Foundation may discontinue any further payments to Grantee, and may direct Grantee to repay any unexpended grant funds to the Foundation, if any of the following events occurs:

(a) Grantee ceases to maintain its tax-exempt status as described in paragraph 6(a) above;

(b) Grantee fails to comply with the terms of this letter; or


(c) There is a material change in Grantee's key personnel that in the sole opinion of the Foundation adversely affects Grantee's management of the grant.

8. **Release and Indemnity:** Unless prohibited by law, Grantee shall release, indemnify, defend and hold harmless the Foundation and its directors, officers, employees and agents from and against any and all claims, actions, suits, demands, damages, losses, expenses and liabilities, arising out of or related in any way to the actions or omissions of Grantee (or its directors, officers, employees, agents or contractors) in connection with the Grant and the project funded by the Grant, except to the extent caused by the Foundation's (or its directors', officers', employees' or agents') negligent actions or omissions. Grantee further agrees to carry insurance in such forms and amounts as are commercially reasonable and appropriate to cover Grantee's operations and to enable Grantee to indemnify and defend the Foundation as provided hereunder.

9. **Grant Publicity:** Grant publicity related to this grant consistent with Grantee's normal practice is permitted, subject to the following provisions. The Foundation expects any announcements and other publicity to focus on Grantee's work and the project or issue funded by the grant. Recognition of the Foundation's role in funding the project is permitted, provided that the timing, content and strategic focus of such publicity should be approved by the Foundation contact listed in paragraph 11. Publicizing the grant and the Foundation in Grantee's publications and communications in a manner consistent with similar grants obtained by Grantee is permitted.

The Foundation may ask Grantee to provide illustrations, photographs, videos, recordings, information or other materials related to the grant (collectively "Grant Work Product") for use in Foundation communications including the Foundation's website, annual report, newsletters, board materials, presentations, communications and other publications. Grantee agrees to provide the Foundation with such items upon the Foundation's reasonable request and hereby grants to the Foundation and anyone acting under the authority of the Foundation a fully paid-up, world-wide, right and license to use, reproduce, display and distribute the Grant Work Product in connection with the Foundation's charitable operations and activities. In connection therewith, Grantee shall be responsible for obtaining all necessary rights and permissions from third parties for the Foundation to use the Grant Work Product for these purposes. By signing this Agreement, Grantee also acknowledges and agrees to use by the Foundation of historical, programmatic and other information relating to Grantee and the grant hereunder.

10. **Gratuities:** The Foundation desires that all of Grantee's resources be dedicated to accomplishing its philanthropic purposes. Therefore, Grantee agrees that it will not furnish the Foundation or its Board of Directors, officers, staff or affiliates with any type of benefit related to this grant including tickets, tables, memberships, commemorative items, recognition items, or any other benefit or gratuity of any kind.

11. **Contact:** For all communications regarding this grant, your point of contact at the Foundation will be Kathy Smith, Senior Program Officer. Your Program Officer can be contacted via phone or email as follows: Telephone number **Hazette** Email  @wffmail.com. Please reference Grant #2017-1481 in your communication.

By electronically signing this letter, Grantee acknowledges and agrees to the terms and conditions herein. A copy of the completed document will be emailed to the Grantee through DocuSign. If the electronic signing of these item is not completed by November 15, 2017 the Foundation will consider the Grantee to have declined the grant.

On behalf of the Foundation, I extend every good wish for the success of your organization's endeavors.

Sincerely,

[REDACTED]
Kyle J. Peterson
Executive Director

ACKNOWLEDGED AND AGREED

By: [REDACTED] 10/28/2017 | 9:17:41 AM CDT
Mark Power (Date)
Vice Chancellor for Advancement
University of Arkansas Foundation, Inc.

cc: Kellie A. Knight
Dr. Sarah McKenzie
Dr. Michael T. Miller
Dr. Gary Ritter

**Appendix A: University of Arkansas Foundation, Inc.
Operational Support for the Office for Education Policy**

Total Project Budget (July 2017 – June 2020)

	Year 1: July 2017- June 2018	Year 2: July 2018 - June 2019	Year 3: July 2019 - June 2020	Total
Personnel Services				
OEP Faculty Director – 3 months	\$60,333	\$62,747	\$64,629	\$187,709
OEP Executive Director - .75 time	\$65,250	\$68,513	\$71,938	\$205,701
OEP Research Assistant- full time	\$28,000	\$29,400	\$30,870	\$88,270
OEP Graduate Fellow	\$14,000	\$14,000	\$14,000	\$42,000
Hourly Research Assistants (\$15 per hour)	\$9,600	\$9,600	\$9,600	\$28,800
Subtotal	\$177,183	\$184,259	\$191,037	\$552,480
Employee Benefits				
Faculty @ 17%	\$10,202	\$10,610	\$10,929	\$31,742
Staff @ 31%	\$20,228	\$21,239	\$22,301	\$63,767
GA @ 6%	\$833	\$518	\$518	\$1,869
Tuition Benefit for Graduate Fellow	\$10,104	\$10,104	\$10,104	\$30,312
Hourly @ .20%	\$36	\$36	\$36	\$109
Subtotal	\$41,403	\$42,508	\$43,888	\$127,799
Total Personnel Services	\$218,587	\$226,767	\$234,925	\$680,279
Current Expense				
Conference - Annual in LR	\$10,000	\$10,000	\$10,000	\$30,000
Travel	\$10,000	\$10,000	\$10,000	\$30,000
Office expenses (printing, mailing, phone, copy, etc.)	\$6,600	\$600	\$600	\$7,800
Subscriptions (National Student Clearinghouse)	\$25,000	\$25,000	\$25,000	\$75,000
Total Current Expenses	\$51,600	\$45,600	\$45,600	\$142,800
Total Costs	\$270,187	\$272,367	\$280,525	\$823,079

**Appendix B: University of Arkansas Foundation, Inc.
Operational Support for the Office for Education Policy**

OEP will strive to achieve the following outputs on an annual basis:

- By the end of each fiscal year, the OEP will complete and distribute **12 publications split among Arkansas Education Reports and Policy Briefs**. During the first year of this grant period, OEP staff will develop a plan to better understand the number of report readers and the extent to which these reports are used.
- By the end of each fiscal year, the OEP will compile, organize, and publicize **two Arkansas Report Cards**, one that summarizes the performance of Arkansas students on a number of academic outcomes, and one that focuses solely on students in Northwest Arkansas.
- By the end of each fiscal year, the OEP will organize and sponsor **one OEP Conference**, which will focus on issues relevant to Arkansas education at that time, with at least 100 people in attendance as evidenced by registration lists.
- By the end of each fiscal year, the OEP will distribute **35-40 weekly OWL e-news blasts**, in which we summarize current education news in both Arkansas and across the nation, as well as publicize our own research. These emails are received by more than 1,100 educators, administrators, legislators, and other K-12 education stakeholders in Arkansas.
- By the end of each fiscal year, researchers from the OEP will submit research for inclusion in **national publications 1-2 times per year** to disseminate our work to a broader audience, and to gain increased credibility both locally and nationally.
- By the end of each fiscal year, the OEP will seek to help schools in Arkansas identify effective strategies and programs by engaging in at least **one (1) high quality, methodologically rigorous, evaluation of an educational intervention** that could conceivably (if found to be effective) be adopted by schools across the state. The evidence of this will be a completed evaluation report.
- Finally, as an expansion of prior work, the OEP will post **four (4) data visualizations** to help Arkansas stakeholders interact with and more easily interpret the educational data.

Based on these outputs, it is expected that the following outcomes will be achieved:

- By the end of each fiscal year, the OEP will be invited to provide **testimony and evidence to the Arkansas State Board of Education and/or the Arkansas Legislature at least 2 times**, as evidenced by meeting minutes describing the OEP testimony.
- By the end of each fiscal year, the OEP will have **2-3 op-eds** published in Arkansas and national newspapers, as a way of continuing to try and reach a wider audience with an evidence-based perspective of current education policy issues.
- By the end of each fiscal year, researchers from the OEP will present research at **1-2 national conferences per year**.
- By the end of each fiscal year, OEP research or researchers will be cited or quoted in local and/or national newspapers at least **15 times**.
- By the end of each fiscal year, the OEP will provide presentations or reports to **at least 3 education entities and contractually engage with at least one education entity**. One of the primary goals of the OEP will be to not only continue to maintain a positive working relationship with these organizations, but to also establish other strong working relationships with schools, districts, and education organizations across the state.
- By the end of each fiscal year, the OEP will develop and publicly post **at least 4 data visualizations**.



UNIVERSITY OF
ARKANSAS

Gift Agreement

For the establishment of the

[REDACTED] Endowed Scholarships in Retail and Hospitality Design

It is the expressed desire of [REDACTED] to provide for the establishment of an endowed scholarship for the benefit of the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville.

1. Name

The name of the endowment shall be the [REDACTED] **Endowed Scholarships in Retail and Hospitality Design.**"

2. Funding

For the purpose of funding this gift, the Donor hereby pledges the sum of \$500,000 in the form of a testamentary commitment to the University of Arkansas Foundation, Inc. The Foundation shall manage the funds under the guidelines established and reviewed annually by the Board of Directors of the Foundation and the Board of Trustees of the University of Arkansas.

3. Purpose

The purpose of the [REDACTED] Endowed Scholarships in Retail and Hospitality Design is to provide financial assistance to those students enrolled in the Masters of Design program, specifically the Retail and Hospitality concentration, at the Fay Jones School of Architecture and Design.

The selection of the recipients of the [REDACTED] Endowed Scholarships in Retail and Hospitality Design shall be the responsibility of the Fay Jones School of Architecture and Design Scholarship Committee, based upon recommendations of the director of the graduate programs in the school, and with approval by the Dean of the School of Architecture, in accordance with the following criteria:

- (a) Students from any geographic location are eligible for consideration;
- (b) Students enrolled in the Masters of Design program, specifically the Retail and Hospitality concentration, including transfer students, traditional and non-traditional students;
- (c) Student must demonstrate financial need;
- (d) Student must have at least a 3.50 cumulative GPA;
- (e) Funds can be used for student stipends or scholarships;
- (f) Funds can be used for research;
- (g) Funds can be used for study abroad;

(h) The award is renewable, but not automatic.

4. Standard Terms and Conditions

This Gift Agreement shall further be subject to the policies and procedures of the University of Arkansas, Fayetteville, and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference, and the Arkansas Uniform Prudent Management of Institutional Funds Act.

5. Acceptance

The foregoing terms and conditions shall be effective only upon agreement and proper execution thereof by the Donor, the Vice Chancellor for Advancement, the Dean of the Fay Jones School of Architecture and Design, the Associate Dean of the Fay Jones School of Architecture and Design, and acceptance by the University of Arkansas Foundation, Inc. and the University of Arkansas Board of Trustees. Signatories to this agreement understand that the investment of this fund shall be managed by the University of Arkansas Foundation, Inc. under the terms described herein, and that the disbursement of income is to be administered by the Dean of the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville.

Agreed to by the Donor:



4/19/18
Date

Agreed to by the Associate Dean in the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville:



Dr. Ethel Goodstein

13 April 2018
Date

Agreed to by the Dean of the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville:



Pejer MacKeith

23 APRIL 18
Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas, Fayetteville:



Mark Power

April 24, 2018
Date



UNIVERSITY OF ARKANSAS

GIFT AGREEMENT

It is the expressed desire of John Ed Anthony (BSBA 1961) and Isabel Anthony to furnish funds to support the construction of the new materials innovation center in the Fay Jones School of Architecture and Design at the University of Arkansas.

1. Name

The name of the new materials innovation center will be known as the **Anthony Timberlands Center for Design and Materials Innovation**. The naming of this building is subject to the approval of the Chancellor and the Board of Trustees of the University of Arkansas, Fayetteville.

2. Funding

The Donors will contribute \$7.5 million to the University over a seven-year period with the first payment of \$1 million on or before June 30, 2018, and the final payment on or by June 30, 2024. The University will match Donors' contributions with an additional \$7.5 million.

In consideration of the reliance of the University on Donors' pledge herein, and undertaking expenditures and commitments in connection with the building of the Anthony Timberlands Center for Design and Materials Innovation, Donors agree to be legally bound to fully perform the terms of this gift agreement.

Upon receipt of such funds, the University will manage the funds under the guidelines established and reviewed annually by the Board of Trustees of the University of Arkansas.

3. Purpose

The purpose of the gift is to provide funds to support the construction of the new materials innovation center, named the Anthony Timberlands Center for Design and Materials Innovation, in the Fay Jones School of Architecture and Design. The mission of this new facility will be that of a "design applications center." It will be a center of excellence for wood innovation design and product diversification to expand the use of wood in design and construction and innovative wood manufacturing.

The center would serve multiple purposes: first, as home to the School's graduate program in timber and wood and also as the epicenter for the school's multiple timber and wood initiatives. It would also house the existing design-build program and digital fabrication laboratory as well as a new applied research center with a focus in wood design and innovation. The holder of the Arkansas Chair in Timber and Wood Innovation and Design would also be housed in this facility.

The proposed building, to be located in the Windgate Art and Design District, would be a 5-story, 50,000-square-foot building. It would include classrooms, studios, seminar spaces, conference areas, faculty offices and guest quarters for visiting faculty. It would also be equipped with a small state-of-the-art auditorium and a public exhibition space.

Administration

The Associate Vice Chancellor for Facilities Management will oversee the building construction project in conjunction with the Dean of the Fay Jones School of Architecture and Design and the architects for the project.

4. Standard Terms and Conditions

This Gift Agreement shall further be subject to the policies and procedures of the University of Arkansas, Fayetteville, and the Board of Trustees of the University of Arkansas, which are incorporated herein by reference, and the Arkansas Uniform Prudent Management of Institutional Funds Act.

6. Acceptance

The foregoing terms and conditions shall be effective only upon agreement and proper execution thereof by the Donors, the Chancellor, the Vice Chancellor for Advancement, the Associate Vice Chancellor for Facilities Maintenance, the Dean of the Fay Jones School of Architecture and Design and the Associate Dean of the Fay Jones School of Architecture and Design, and acceptance by the University of Arkansas Board of Trustees. Signatories to this agreement understand that the investment of these funds shall be managed by the University of Arkansas, Fayetteville, under the terms described herein, and that the disbursement of income is to be administered by the Dean of the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville.

Agreed to by the Donors:

[Redacted Signature]

John Ed Anthony

5/3/18
Date

[Redacted Signature]

Isabel Anthony

5/3/18
Date

Agreed to by the Associate Dean of the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville:

[Redacted Signature]

Dr. Ethel Goodstein

May 9, 2018
Date

Agreed to by the Dean of the Fay Jones School of Architecture and Design at the University of Arkansas, Fayetteville:

[Redacted Signature]

Peter MacKeith

MAY 2018
Date

Agreed to by the Associate Vice Chancellor for Facilities Maintenance at the University of Arkansas, Fayetteville:

[Redacted Signature]

Mike Johnson

5/10/18
Date

Agreed to by the Vice Chancellor for Advancement at the University of Arkansas, Fayetteville:

[Redacted Signature]

Mark Power

5/10/18
Date

Agreed to by the Chancellor at the University of Arkansas, Fayetteville:

[Redacted Signature]

Dr. Joseph E. Stemmetz

5/10/18
Date

WINDGATE CHARITABLE FOUNDATION
P.O. BOX 826
SILOAM SPRINGS, ARKANSAS 72761-0826

November 28, 2017

Mark Power
Vice Chancellor for Advancement
ADMN 416
University of Arkansas
Fayetteville, AR 72701

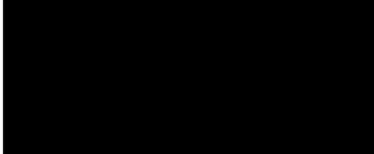
Dear Mark:

I am pleased to notify you that the Board of the Windgate Foundation did approve a grant of \$40 million to be used for development of the "Art & Design District & Gallery." The first year's grant is enclosed. Further payments of \$10 million will be made in the Fall of 2018, 2019 and 2020.

The Windgate Trustees stated no preference that any particular part of the project should be fully funded by this grant or designated as a "Windgate" facility, but rather expressed the hope that other donors would be recruited by the U of A to raise another \$10 million or more for the project over the next four years, and that any naming opportunities should be held open for those gifts.

Our Board members are pleased to be partners in the significant changes now taking place in the Art Program at the U of A.

Congratulations and Best Wishes,


John E. Brown III
Executive Director

JEB/sll
Cc: Windgate Foundation Board of Trustees

GRANT AGREEMENT TO FUND SCHOOL OF ART

THIS GRANT AGREEMENT (this "Agreement") dated this 22nd day of August, 2017, is made by: The Walton Family Charitable Support Foundation, Inc., a Delaware nonstock, nonprofit corporation (the "Walton Support Foundation"); The University of Arkansas Foundation, Inc., an Arkansas nonprofit corporation (the "University Foundation"); and the Board of Trustees of the University of Arkansas acting for and on behalf of the University of Arkansas, Fayetteville (the "University"), an instrumentality of the State of Arkansas.

WHEREAS, the Walton Support Foundation is a tax-exempt organization and public charity supporting organization described in sections 501(c)(3) and 509(a)(3) of the Internal Revenue Code, and is organized and operated to support and benefit universities and colleges operating in the State of Arkansas and community foundations operating in a five-state area; and

WHEREAS, the University has submitted to the Walton Support Foundation a proposal (the "Proposal"), which is attached hereto as Exhibit A, to establish and maintain a school of art in the College of Arts & Sciences at the University's Fayetteville campus as a pre-eminent school for the study of American art (the "School of Art"); and

WHEREAS, the Walton Support Foundation wishes to support and benefit the University by funding the School of Art as indicated in the Proposal; and

WHEREAS, the University Foundation is organized and operated to receive, manage and distribute endowment funds and other funds to support and benefit the University and otherwise exists to support and benefit the University, as indicated by the University Foundation's governing instruments and by its status as a public university support organization as described in section 170(b)(1)(A)(iv) of the Internal Revenue Code; and

WHEREAS, the University Foundation and University desire that the University Foundation accept the Walton Support Foundation's grant made under this Agreement for the School of Art, to be held, managed and distributed to support and benefit the School of Art upon the terms and subject to the conditions set forth below.

NOW, THEREFORE, in consideration of the mutual undertakings and covenants herein contained, the parties agree as follows:

1. **Grant to University Foundation for Endowment.** (a) The Walton Support Foundation hereby agrees to make a grant (the "Grant") to the University Foundation, for the University's Fayetteville campus, in the amount of one hundred twenty million dollars (\$120 million). The purposes of the Grant are as follows: (i) \$10 million will be distributed by the University Foundation to the University to cover costs as these are incurred for the renovation of the Fine Arts Center designed by Edward Durrell Stone that will serve as the School of Art's campus headquarters, which renovation is expected to be completed by February 1, 2021; and (ii) \$110 million will be held and managed by the University Foundation as an endowment (the "Endowment") making distributions for the School of Art as provided in this Agreement.

(b) For purposes of this Agreement, the Endowment will include the \$110 million amount granted for Endowment pursuant to this Agreement and the income and appreciation resulting from the investment of such property. The University Foundation will maintain and expend the Endowment in accordance with the Endowment categories listed in Exhibit B to this Agreement and subject to the other terms of this Agreement.

2. **Form and Timing of Grant.** The Walton Support Foundation's Grant will be in the form of cash and/or marketable securities (to be valued on the date of contribution) as determined by the Walton Support Foundation. The Walton Support Foundation will pay the Grant [REDACTED] as follows:

[REDACTED]	<u>Due Date</u>
\$120 million	[REDACTED] 2017

The Walton Support Foundation in its discretion may decide to pay all or any part [REDACTED] prior to its due date indicated above.

3. **Contributions by University.** In consideration of the Grant by the Walton Support Foundation hereunder, the University agrees to commit funding (independent of the support provided by the Walton Support Foundation hereunder) for the School of Art as follows: \$10 million for the renovation of the Fine Arts Center, which renovation will be funded and is expected to be completed by February 1, 2021; and beginning in September 1, 2022, \$6.7 million on an annual basis, and continuing for as long as the School of Art is in existence, to secure current and required faculty/staff/graduate assistant positions.

4. **Endowment Administration.**

(a) Separate endowment. The University Foundation will maintain the Endowment as a separate endowment fund of the University Foundation and will separately account for the Endowment on the University Foundation's books and records. For administrative convenience, the University Foundation may combine any investments or property of the Endowment with other funds held by the University Foundation for investment purposes, provided that the identity of the Endowment will be preserved and accounted for on the University Foundation's books and records at all times.

(b) Investment objectives and policies. The University Foundation will invest the assets of the Endowment with the objectives and pursuant to the terms and conditions of the investment policy set forth in the attached Exhibit C, as may be updated from time to time by governing board of the University Foundation. The University Foundation will promptly notify the Walton Support Foundation if any of the following events occurs: (i) a change in the terms of the investment policy; (ii) a failure to invest the Endowment assets within the asset allocation ranges specified in the investment policy; or (iii) a change in the identity, organizational structure or professional staffing of any investment advisor who manages Endowment assets.

(c) Investment reports; meetings with managers. The University Foundation will provide the Walton Support Foundation with quarterly investment reports, within 45 days after

the end of each calendar quarter, for the Endowment. Such quarterly reports shall include: (i) a list of all transactions made during the quarter and a list of all assets held as of the close of the quarter; (ii) a statement of investment performance for the quarter and for the calendar year to date for each investment manager, for each class of investments (e.g., equities; fixed income) and for the total Endowment; (iii) a list of all distributions made from the Endowment during the quarter and for the year to date; and (iv) such other information as the Walton Support Foundation may reasonably request from time to time. The Walton Support Foundation's officers and agents will have the opportunity to meet at least semi-annually with the investment managers who manage Endowment assets.

(d) Expenses chargeable to endowment. Subject to the following three sentences, neither the University Foundation nor the University will charge to or deduct from the Endowment any general management, administrative, accounting, overhead or other fees or expenses, whether incurred by the University Foundation or a party other than the University Foundation, without the Walton Support Foundation's prior consent, except as referenced in the Spending Policy noted in appendix A contained within the attached Investment Policy in Exhibit C. In accordance with current practice previously approved by the University and the Walton Support Foundation, all investment expenses associated with the investment management of the comingled investment pool, including, but not limited to, all custodial, investment consulting, external and internal investment management expenses and investment transactional fees, shall be charged directly to the investment pool so that all expenses are borne proportionally by each account invested in the pool. Notwithstanding the provisions for overhead as stated in the Investment Policy appendix, (i) the University Foundation may charge and deduct annually up to 10 basis points on the total Endowment value to cover overhead expenses but shall not charge to the Endowment any additional amounts for overhead expenses of any kind, and (ii) the University may apply annually from Endowment distributions it receives up to 10 basis points on the total Endowment value for University campus development overhead expenses but shall not receive from the Endowment any additional amounts for campus development overhead expenses (any additional amounts that would be applied to campus development overhead as indicated in the Investment Policy appendix will instead be applied to the School of Art). The University Foundation may also expend the \$2,029,715 in the Endowment allocated for first year budget expenses (as described in the attached Exhibit B) to assist in establishing the School of Art.

(e) Annual income distributions. There shall be distributed from the Endowment in each calendar year such amount as shall be determined by the University Foundation in its sole and absolute discretion. It is anticipated that the University Foundation will establish from time to time a distribution amount or distribution percentage for its endowed funds provided, however, without the prior written consent of the Walton Support Foundation, any distribution percentage so established shall not exceed 5%. With respect to any distribution percentage so established, it shall be based on a 36- month rolling average to the extent possible, although this period may be extended consistent with University Foundation policy as amended from time to time. For this purpose, such annual distribution may include up to 20 basis points in overhead expenses approved pursuant to paragraph (d) above and paid during the year (with up to 10 basis points paid to the University Foundation and up to 10 basis points paid to the University as indicated in paragraph (d) above). The University Foundation in its reasonable discretion, and

subject to applicable University and University Foundation policies, may increase or decrease the distribution percentage and amount as it deems appropriate taking into account (i) the current needs of the University and the purposes and objectives of any subaccount and (ii) the maintenance of the purchasing power of the Endowment and any subaccount and the annual distributions therefrom taking into account inflation.

(f) Adjustments to endowment categories: distributions of principal. With the Walton Support Foundation's prior consent, the University may modify the Endowment categories of support, and may reallocate amounts maintained in one or more Endowment categories of support, if the University and Walton Support Foundation together determine that such modification or re-allocation will better further the purposes and objectives of the Endowment and this Agreement. With the Walton Support Foundation's prior consent, the University may also direct the University Foundation to make distributions in excess of the spending policy from the Endowment, although the University and Walton Support Foundation recognize that any such distributions should be reserved for extraordinary circumstances. In making any such decision, the parties shall take into account (i) the specific purpose or purposes for which such distribution would be made, (ii) the possibility that funds suggested for distribution might be raised from other sources, and (iii) the importance of maintaining the real value of each Endowment over time taking inflation into account.

(g) Naming Opportunities in Respect of Endowment. Subject to paragraph 7-A below, it is recognized that the University Foundation and the University shall have authority over all naming opportunities in respect of distributions of income or principal of the Endowment. However, any use of the family name "Walton" (including any part of a Walton family member's name that may reasonably be publicly identified as referring to such family member) at any time and for any reason in respect of income or principal of the Endowment shall require the written consent of the Walton Support Foundation and such consent may be revoked at any time with respect to any existing or future matter, undertaking or project. The University Foundation and the University shall enter into such agreements with such parties as shall be necessary to ensure that if the Walton Support Foundation shall at any time revoke its consent to any such use of the family name "Walton", (i) the University Foundation and the University shall have the right to require any party to cease using the name "Walton" in connection with the receipt of funds of the Endowment for general purposes or in respect of any particular undertaking(s) or project(s) which were funded in whole or in part with funds from the Endowment and (ii) such party shall be required to immediately cease to use such name if directed to do so by the University Foundation or the University.

(h) Endowment Distributions not Intended to Replace Public Funds. It is specifically intended that neither the Endowment nor the amounts distributable from the Endowment should replace any public funds that would otherwise be made available to the University and by the University to the College of Arts & Sciences for the School of Art. For this reason, and notwithstanding any other provision of this Agreement, no distribution shall thereafter be made from the Endowment for the School of Art for any year or for any subsequent year if the Walton Support Foundation shall determine in its discretion that there shall have been a decrease in the percentage of the public funds available to the University that shall have been allocated to the College of Arts & Sciences for the School of Art, other than for good, sufficient and justifiable

reasons unrelated to the Endowment as determined by the Walton Support Foundation in its discretion. In making any such determination, the Walton Support Foundation shall consider the percentage of public funds available to the University that are allocated to the College of Arts & Sciences for the School of Art for any year, which shall equal the total public funds made available to the University by the State of Arkansas (or any agency or subdivision thereof) and allocated for use by College of Arts & Sciences for the School of Art divided by all such funds made available to the University for all of its programs and activities (including the College of Arts & Sciences for the School of Art). Within 90 days after the end of each calendar year, the University shall furnish a calculation of the percentage of such public funds available to the University that are allocated for use by the College of Arts & Sciences for the School of Art for the immediately preceding year and for the two years prior thereto.

(i) Procedures. The parties to this Agreement understand that the investment of the Endowment shall be managed by the University Foundation under the terms described herein, and that the disbursement of income is to be administered by the Dean of the J. William Fulbright College of Arts & Sciences at the University, in collaboration with the Director of the School of Art, and in accordance with applicable University procedures to fulfill the purposes of this Agreement.

5. Redistribution of Endowment to other Public Charities. (a) The Walton Support Foundation has selected the University, through the University Foundation, to receive the Grant because the Walton Support Foundation believes the University is the most appropriate and best qualified organization to operate the School of Art as indicated in Exhibit A and the Proposal, and the University Foundation is the appropriate entity to hold and manage the Endowment and receive the other Grant funds on the University's behalf for the School of Art. If, at any time after the fifth-year anniversary of the execution of this Agreement, the Walton Support Foundation determines in its discretion that the University or the University Foundation has failed to operate the School of Art and/or manage or use the Endowment as intended by the Walton Support Foundation and as indicated by the occurrence of any one or more of the events in clauses (i) through (v) below, then, subject to the following subparagraph (b), the Walton Support Foundation may direct that all or any portion of the Endowment (including any income and appreciation resulting from investment of such property granted hereunder) will be transferred to one or more other universities or colleges operating in the State of Arkansas:

(i) the University Foundation is not using the Endowment (or any portion thereof) for the purposes provided by this Agreement or for such other purposes as approved by the Walton Support Foundation;

(ii) the University is not using its best efforts to implement the strategic plan as described on pages 7 of Exhibit A;

(iii) the University is not using its best efforts to operate the School of Art in a manner for it to be ranked in the top tier of fine arts institutions in the United States, as provided in the School Rankings section on page 5 of Exhibit A;(iv) the University Foundation departs in a material way from the investment policy set forth in Exhibit B to the detriment of the Endowment; or

(iv) the University Foundation departs in a material way from the investment policy set forth in Exhibit B to the detriment of the Endowment; or

(v) the University fails to make any contribution in a timely manner to support the School of Art as provided in paragraph 3 above.

(b) If at any time the Walton Support Foundation determines that an event described in items (i), (ii), (iii), (iv) or (v) above has occurred, the Walton Support Foundation will notify the University and the University Foundation and will give the University and/or the University Foundation an opportunity to correct or adjust its performance to the Walton Support Foundation's satisfaction. If after a reasonable period (normally not to exceed 90 days to submit a detailed, formal plan of action to the Walton Support Foundation to address the issues identified, and 180 days to correct or adjust the University's performance pursuant to the plan) the University and/or the University Foundation has not corrected or adjusted its performance to the Walton Support Foundation's satisfaction, the Walton Support Foundation may direct the University Foundation to transfer the Endowment or any portion thereof to one or more other universities or colleges operating in the State of Arkansas as provided in subparagraph (a) above. The University Foundation shall promptly comply with any such direction and shall use its best efforts to complete such transfer as soon as practicable and in any event within 12 months of receiving notice of a transfer direction.

Prior to completing any such transfer, the University Foundation shall continue to make distributions to the University in order to (i) fulfill any public programming commitments, consistent with the purposes of the Agreement, scheduled to occur during a reasonable winding down period, (ii) enable an orderly transition period for addressing faculty and staff positions supported with endowment funds and (iii) enable any students receiving scholarship or similar funding from endowment funds to complete their respective degree program.

The Walton Support Foundation's ability to direct a transfer of all or part of the Endowment as provided above in this paragraph 5 shall expire on the thirtieth-year anniversary of the execution of this Agreement.

(c) In addition, if at any time (either before or after the fifth-year anniversary of this Agreement) a change to the public charity classification of the University Foundation or the University occurs, or if some other event occurs in connection with the terms and/or operation of this Agreement, that adversely impacts the status of the Walton Support Foundation as a "type 1" supporting organization described in section 509(a)(3) of the Internal Revenue Code and the Treasury Regulations thereunder, the parties hereto agree to take such actions as directed by the Walton Support Foundation, which may include without limitation the transfer of the Endowment and any unexpended Grant funds to one or more other universities or colleges operating in the State of Arkansas, as are necessary or appropriate to preserve the Walton Support Foundation's type 1 supporting organization status.

6. Annual Reports. The University will provide the Walton Support Foundation with an annual report within 90 days after the end of each fiscal year of the University on the University's and University Foundation's use of the Grant and the administration and use of the Endowment. Each such report will include a detailed account of the composition and

performance of, and expenditures made from, the Endowment, and a detailed narrative of the University's progress in implementing the strategic plan as detailed in the Proposal. Such annual reports will also include such other information as the Walton Support Foundation may reasonably request from time to time. The University will continue to provide such reports each year unless the Walton Support Foundation directs the University to discontinue such reports or the parties agree on another reporting process. The University's provision of annual reports pursuant to this paragraph 6 will not replace or affect the University Foundation's obligation to provide quarterly investment reports to the Walton Support Foundation as described in subparagraph 4(c).

7. Oversight Committee. The Walton Support Foundation's Board of Directors may in its discretion appoint an oversight committee ("Oversight Committee") consisting of at least two individuals to assist the Walton Support Foundation's Board and officers in reviewing the University's and University Foundation's actions under and in compliance with this Agreement. Members of the Oversight Committee, if appointed, shall serve for such terms, perform such functions, and shall act according to such procedures as determined by the Walton Support Foundation's Board from time to time.

7-A Naming Rights in Respect of School. The Walton Support Foundation shall, in its discretion, have naming rights for the School of Art, its programs and endowed positions in the School of Art (each a "Naming Opportunity") for as long as the Endowment or any part thereof is held and used by the University Foundation and/or the University. The Walton Support Foundation may from time to time propose such names for any and all Naming Opportunities as it deems reasonable, provided that a name must be acceptable on a reasonable basis to the University to be used. Any such names shall be used in all communications and printed materials by which the School of Art publicizes itself and its positions and programs to the public, unless the Walton Support Foundation indicates otherwise. Any use of the family name "Walton" (including any part of a Walton family member's name that may reasonably be publicly identified as referring to such family member) at any time and for any reason in respect of any Naming Opportunity shall require the written consent of the Walton Support Foundation and such consent may be revoked at any time with respect to any such Naming Opportunity. The University and the University Foundation shall enter into such agreements with such parties as shall be necessary to ensure that if the Walton Support Foundation shall at any time revoke its consent to any such use of the family name "Walton", (i) the University Foundation and the University shall have the right to require any party to cease using the name "Walton" in connection with any such Naming Opportunity and (ii) such party shall be required to immediately cease to use such name if directed to do so by the University or the University Foundation.

8. Records. The University Foundation will maintain records of receipts and expenditures made in connection with the contributed property hereunder, and will keep these records for a period consistent with generally accepted accounting principles. The University Foundation will make its books and records in connection with the contributed property, and the University Foundation's operations and finances, available for inspection by the Walton Support

Foundation's representatives during normal business hours as the Walton Support Foundation may reasonably request.

9. **Walton Support Foundation Standing; Donor's Role.** (a) The parties agree that the Walton Support Foundation has standing to receive reports, perform actions and exercise rights as provided by this Agreement and to raise any appropriate issues or claims related thereto.

(b) Without limiting the foregoing, it is neither the intent nor the desire of the Walton Support Foundation to actively manage any of the ongoing affairs, operations, investments or academic programs of the University or the University Foundation and none of the provisions of this Agreement should be interpreted as a desire to do so. The Walton Support Foundation is aware of the need to maintain the collegiality and decision-making processes of the governing boards of the University and the University Foundation.

10. **Enforceability; Successors and Assigns.** The terms of this Agreement shall be legally binding upon and enforceable against each of the parties hereto and their respective successors and permitted assigns. Neither this Agreement nor any duty or right hereunder may be voluntarily assigned by a party without the consent of the other parties.

11. **Tax Classification.** The University Foundation represents to the Walton Support Foundation that the University Foundation is classified by the Internal Revenue Service as an organization described in sections 501(c)(3), 509(a)(1) and 170(b)(1)(A)(iv) of the Internal Revenue Code. The University represents to the Walton Support Foundation that the University is classified by the Internal Revenue Service as an organization described in sections 509(a)(1) and 170(c)(1) of the Internal Revenue Code. Each of the University Foundation and the University will promptly notify the Walton Support Foundation of any change in these tax classifications.

12. **Notices.** All directions, consents and other notices given by a party pursuant to this Agreement will be in writing and delivered personally or sent on a prepaid basis by certified or registered mail (return receipt requested), receipted courier service, or facsimile, to each other party as provided in this paragraph. Any such notice, when delivered or sent in the manner aforesaid, will be deemed given on the date of receipt. Each of the University, the University Foundation and Walton Support Foundation will designate a representative to receive notices as provided herein.

13. **Authority to Enter into Agreement.** By execution of this Agreement, each of the parties hereto represents to each other party that (a) the terms hereof do not violate any obligation by which such party is bound, whether arising by contract, operation of law or otherwise, and (b) this Agreement has been duly authorized by appropriate action and when so executed and delivered will be binding upon such party, in accordance with its terms.

14. **Governing Law.** This Agreement is governed by and will be construed in accordance with the laws of the State of Arkansas, including but not limited to the Arkansas Uniform Prudent Management of Institutional Funds Act..


15. **Entire Agreement; Further Documents.** This Agreement (including its Exhibits) represents the entire agreement of the parties with respect to its subject matter, and supersedes all prior negotiations, discussion and prior agreements. The parties agree that each will execute and deliver such other and further documents as are contemplated by this Agreement or are reasonably required in order to effectively carry out the purposes of this Agreement.

16. **Amendment.** The terms of this Agreement may be amended by written instrument executed by the Walton Support Foundation, the University Foundation, and the University.

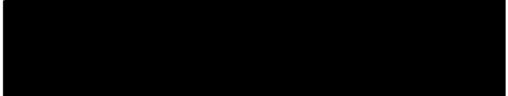
17. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and which, taken together, will constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives effective as of the date first above written.


The Walton Family Charity Support Foundation, Inc.

By: 
Kaneaster Hodges
President

The University of Arkansas Foundation, Inc.

By: 
Clay H. Davis
President & CEO

The University of Arkansas System

By: 
Donald R. Bobbit
President

The University of Arkansas Fayetteville

By: 
Joseph [Redacted]
Chancellor

Exhibit A

School of Art Proposal

The School of Art Proposal

**Submitted to:
The Walton Family
Charitable Support Foundation**

**By:
The University of Arkansas
J. William Fulbright College of Arts & Sciences**

August 2017

Old Main 525 • Fayetteville, AR 72701 • 479-575-4801 • Fax: 479-575-2642 • <http://fulbright.uark.edu>
The University of Arkansas is an equal opportunity/affirmative action institution.

Outline

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 - a. Faculty
 - i. Visiting Professors
 - b. Students
 - c. Diversity and Inclusion
 - d. Facilities and Resources
 - e. Rankings
2. Innovation
 - a. Internal Collaboration
 - i. Arts Integration
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3. Partnership with Crystal Bridges Museum of American Art
4. School of Art
 - a. Naming
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 - c. Advisory Board
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 - i. National Search
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 1. Promotion and Marketing
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 - i. Art History
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5. Budget

- a. Gift Commitment
 - i. Categories of Support
 - b. University of Arkansas Commitment
 - c. First Year Grant
 - d. Matching Opportunities
6. Metrics
 Stipulations of Funding
7. Implementation of Program Features

1. Quality

a. Faculty

Over a 5 year period the University of Arkansas commits to hiring 26 new, fulltime faculty across all disciplines and increasing the current program budget from \$3.2 million to \$6.7 million per year. Performance metrics will be put into place for each endowed faculty member for professional development, research and outreach as part of a strategic plan for the School. Metrics will also be established pertaining to rate of hiring and candidate quality and diversity, with additional measures and strategies regarding faculty diversity to be developed going forward.

Each year, as a basic requirement, each endowed chairholder will be expected to complete:

- Two (2) professional development or research opportunities
 - *Creative Activities* (exhibition, commission, lecture, workshop);
 - *Conference Participation* (presentation and panel);
 - *Publication* (program specific works [i.e. journals], books), *and*
- A minimum of one (1) outreach effort
 - *Service Project* (e.g. intensive workshop in under-represented and at-risk communities, Upward Bound program on campus and hosted at Crystal Bridges, and design clinics to create solutions for small businesses and under-represented populations).

i. Visiting Professors

The School of Art will make efforts to expand the use of visiting faculty members. This will especially be the case in art education and art history while the graduate programs are being built. Visiting professors that excel will be provided a pipeline for hire into tenure track positions.

b. Students

Targets will be established relating to undergraduates to prioritize attracting top talent, as well as focusing on students from middle- and lower-income backgrounds. Targets will be established relating to graduate students to prioritize

recruitment from top institutions. Metrics will be put in place for enrollment goals, summer residencies, retention, graduation, placement, fellowships/scholarships (need vs. merit), candidate quality and diversity, with additional measures and strategies regarding student diversity to be developed going forward. Specific aspirational metrics will be included in the strategic plan.

1. *Undergraduate Scholarships:* Each year, the Director of the School of Art will review scholarship applications for the upcoming fall so that approximately **40%** of awards will be need-based, **40%** will be merit-based, and approximately **20%** will be at the discretion of the School of Art.
2. *Undergraduate Student Retention Report:* Each year the Director of the School of Art, or his or her designee, will compile a report of retention rates for the School of Art. Retention rates will also be reported for each program, and will be tracked against a fixed list of peer institutions.
3. *Graduate Student Recruitment:* School of Art faculty will contact department heads and graduate coordinators working in at least **five** elite art schools and encourage their students to apply. In addition, faculty in the School of Art will contact department heads and graduate coordinators in at least **five** institutions serving diverse populations and encourage their students to apply.
4. *Graduate Student Fellowships & Scholarships:* **40%** of financial awards made to prospective graduate students will be need-based, **40%** will be merit-based, and **20%** will be at the discretion of the School of Art.
5. *Graduate Student Financial Aid Report:* Each year the Director of the School of Art, or his or her designee, will compile a summary report of all graduate financial aid. The report will consist of the number of awards, summaries of research/creative focus, and biographical information. Every year, students receiving financial aid will write a letter to the donor expressing who they are, what they accomplished during the year, and how their financial aid helped with their progress.
6. *Placement Report for Recent Graduates:* Each year the Director of the School of Art, or his or her designee, will compile a report of placement rates and details for graduates of the School of Art. The report will track the success of graduates of both undergraduate and graduate programs. The report will track employment rates following graduation, graduate school admissions (for undergraduates), and the quality of graduate programs into which students are admitted. For graduate students, the report will track employment, whether into academic positions or otherwise. These figures will be compared against top institutions as far as existing and available data allow. Also, all graduating

students will be required to complete an exit interview evaluating their experience at the School, their post-graduation plans, employment expectations, and post-graduation contact information. The Director of the School of Art, or his or her designee, along with the Program Heads, will use mailing lists, listserves, and social media to create a virtual community for current and former students and to maintain contact with students post-graduation.

c. Diversity and Inclusion

The School will be constructed as a model for inclusion and diversity. Progress in accomplishing this vision will be actively pursued, including but not limited to with regard to racial, ethnic, gender, and geographic background, with measures and strategies regarding student and faculty diversity to be developed going forward. Faculty diversity will foster community engagement and creativity and will help prepare students of the School of Art to connect with and inspire a passion for art among an increasingly diverse population within Arkansas and beyond. Student diversity will help create a rich learning experience for all students in the School and prepare them for service in an increasingly diverse society. Attracting and retaining a diverse student body will help prepare a diverse flow of candidates for professional opportunities in the Arts.

d. Facilities and Resources

The Edward Durell Stone Fine Arts Center will be renovated to house the programs in Art Education and Art History, and serve as the academic and research hub for the School of Art. Permanent funding through a library endowment will expand the School of Art's library. Increasing access to the holdings—either through hard copy or digital assets—is a priority. A strategy for further integration will be developed in Year 1 after a full assessment.

e. Rankings

The School of Art will aspire to a ranking of 25th or higher in the United States according to US News & World Report, and will hold itself to a floor rank of at least 50th within ten years (compared to current 173rd). The School of Art will aspire to a ranking in the top 20 of public institutions, which are most comparable to the University of Arkansas. The School of Art's Ph.D. in Art History program will aspire to a ranking in the top 25 of similar programs in the nation (out of a total of 58 programs as of 2010), according to rankings of specialized Ph.D. programs conducted by the National Research Council, which are released every ten years

2. Innovation

The School of Art will inspire, motivate and redefine possibilities for collaboration and experimentation by breaking down barriers across disciplines and with unexpected

players.

a. Internal Collaboration

The School of Art is committed to an interdisciplinary approach to working with University colleges, schools, centers and visiting scholars.

i. Arts Integration

The primary goal of the School of Art's internal collaborations is to integrate the arts into as many curriculum as possible. The School of Art will seek a meeting to collaborate with Aaron Jones and other faculty working at the Arkansas Arts Academy to discuss their methods, theories, and pedagogy. The School's goal is to find ways of working with them to better understand the strategies in which art can be infused into the curriculum of many disciplines across campus.

ii. Dual Programs

The School of Art will formalize academic partnerships with the Sam M. Walton College of Business, the College of Education and Health Professions, the Fay Jones School of Architecture and the College of Engineering. Partnerships will be sought for dual degrees, dual majors and expanded minors.

iii. Co-teaching

Additional collaborations will be pursued through co-taught classes and shared coursework with the Sam M. Walton College of Business, the College of Education and Health Professions, the Fay Jones School of Architecture and the College of Engineering.

b. External Collaboration

The School of Art will actively seek new external collaborations with organizations such as the Fulbright Foreign Scholars program, The Arkansas Department of Education, the Arkansas Arts Council, the Arkansas Arts Academy and various other scholarly and arts focused organizations.

c. Outreach and Community Presence

The School of Arts seeks to fulfill the land-grant mission by strengthening the community, region and state with outreach efforts that are relevant, meaningful and have significant impact. The first phase of the outreach program (Arkansas K-12, Northwest Arkansas Community, and Education Policy) will be detailed in a strategic plan outlined by the incoming Director. Metrics will be attached to such activities, and will be included in the strategic plan. Each year the Director of the School of Art, or his or her designee, will establish and report on strategic partnerships within the University, domestically and internationally.

d. Visiting Artists

Visiting artists will be utilized by the School of Art on campus, and in the partnership with Crystal Bridges.

e. New Philosophy on Faculty Service and Accountability

The introduction of endowed chairs into this program provides an opportunity to create a new model for faculty service and accountability that may be replicated nationally. Faculty who are awarded endowed positions will sign an agreement holding their individual performance to a proven record of accountability through achievement of specific metrics, innovation and competitive leadership. Metrics will ensure the faculty remain active and focused on the outlined priorities. Completion of requirements is a minimum expectation for continued year to year service as a chairholder. Based on the agreement, an annual report detailing the individual faculty member's achievements, along with teaching evaluations, will be evaluated to determine his/her productivity metric and continuance of the endowed position. In order to obtain subsequent appointments to an endowed chair, a faculty member must demonstrate a record of outstanding teaching, research or creative activity, and service activity during the term. Chairholders are expected to engage with their colleagues in a productive manner to advance the mission of the School.

3. Partnership with Crystal Bridges Museum of American Art

The School of Art will create a signature program that uniquely positions it as the place of study for American art. Through a fully integrated collaboration with Crystal Bridges Museum of American Art, works of art available through the museum's collection and exhibitions program will drive a curriculum that creates a spectrum of undergraduate- and graduate-level learning about American art from prehistory to today. Collaborations will benefit School of Art students and faculty, as well as local educators, and will involve K-12 professional development, student teacher summer experience placements, student teaching and field work in schools, research fellowships, course development and offerings, exhibition development and support, content expertise, and student internships; such collaborations will be implemented by the end of the 5th year.

4. School of Art

a. Naming

The naming rights for the school, and all endowed positions, are held for future discussions with the donor.

b. Benchmarks

The University of Arkansas has built this vision for the School of Art by benchmarking the top programs in the country. Each discipline was examined and compared to the top institutions in the respective fields. Through this strategic process, a vision was constructed based on what the University's program needed to compete with the top schools in every area.

c. Advisory Board

A preeminent advisory board will be recruited within Year 1 to help guide the development of a nationally competitive School of Art.

d. Director of the School of Art

i. National Search

A national search, conducted by a prominent search firm, will be conducted to hire the inaugural Director of the School of Art. The new Director will be in place no later than January 2018. The donor, or a designee, will be a part of the search process to hire the Director. This will also be the case for lead faculty of the School of Art and future Deans of the J. William Fulbright College of Arts and Sciences.

ii. Strategic Plan

A comprehensive strategic plan will be developed in the first 90 days after the Director is hired. This plan will operationalize all aspects of this proposal.

iii. Reputation Building and Credibility

1. Promotion and Marketing

Within the strategic plan mentioned above, a reputation building and credibility campaign will be planned. It is envisioned that the new Director will travel to key areas to market the newly created School of Art.

2. Recruitment in New Graduate Programs

Additional efforts will be made, especially early on, to grow the new graduate programs in art education and art history.

e. Crystal Bridges Liaison

A liaison from Crystal Bridges to the University will be named by the Crystal Bridges director, in consultation with the Director of the School of Art, to ensure the partnership between the university and museum align and integrate according to the missions of both the School of Art and Crystal Bridges. The liaison will work closely with the Dean of the Fulbright College and the Director of the School of Art to leverage the relationship for best practices and highest achievements.

f. Academic Areas

Each of the four academic areas has developed student and faculty goals. These aspirational numbers were set based on benchmark data among the top institutions. The proportions, both student and faculty, were accepted by the donor on 6/26/17. With an aggressive recruiting plan, the School hopes to surpass these

numbers.

i. Art History

Art History	Current	Year 5	Year 10
Faculty	7	13	13
Undergraduates	27 BA majors 21 minors	50 BA majors 25 minors 25 double majors	50 BA majors 25 minors 25 double majors
Graduates	N/A	3-6 Ph.D. track	15-18 Ph.D. track

ii. Art Education

The School of Art will attempt to boost these numbers by 5% based on feedback from the meeting with the donor on 6/26/17.

Art Education	Current	Year 5	Year 10
Faculty	2	8	8
Undergraduates	16 BFA	10-15 MAT 5-10 double majors	40-60 MAT 5-10 double majors
Graduates	N/A	3-6 Ph.D. track	10-15 Ph.D. track

iii. Graphic Design

Graphic Design	Current	Year 5	Year 10
Faculty	4	7	7
Undergraduates	15 BFA	50 BFA 5-10 double majors	60 BFA majors 5-10 double majors
Graduates	N/A	3 MFA	9 MFA

iv. Studio Art

Studio Art	Current	Year 5	Year 10
Faculty	22	32	32
Undergraduates	BA- 369 BFA- 28	BA-300 BFA-150	BA-300 BFA-200
Graduates	21 MFA	32 MFA	35-40 MFA

g. Focus on the Americas

In partnership with Crystal Bridges, the School of Art intends to become a nationally competitive and preeminent program in American art and the art of the Americas within a decade of its founding.

h. Accountability

By October 15th each year, the School of Art will submit a report that provides progress on metrics, an accounting of the funds used from the endowment and accomplishments. All School of Art evaluation and performance metrics have been or will be created in association with the Walton Family Charitable Support Foundation research officers.

i. Progress Reporting

The Director of the School of Art will provide bi-annual progress reporting. These reports will keep track of progression towards the long standing goals of the School of Art. Reports will focus on long term performance metrics outlined in conjunction with the Walton Family Charitable Support Foundation research officers.

1. Proactive Adaptation

The School of Art, especially in the development phase, will monitor strategies implemented to recruit and retain students and faculty. The goal is to proactively identify strategies that are proving to be successful in achieving outlined goals, while also altering strategies that are unsuccessful.

2. Implementing Changes

The University of Arkansas Foundation reserves the right to make decisions to withhold/redirect funding for strategies that are proving to be unsuccessful in achieving the outlined goals.

ii. Endowment Reporting

Annual reports will be compiled by the Director of the School of Art, or his/her designees, to report on each endowment created in the School.

5. Budget

a. Gift Commitment

The total gift commitment is \$120,000,000. The gift is split between \$110,000,000 in endowed funds and \$10,000,000 in non-endowed funds.

i. Categories of Support

Student Support

Undergraduate Student Support Endowment	<u>\$14,000,000</u>
Graduate Student Support Endowment	<u>\$36,000,000</u>

Faculty Support

Endowed Faculty Positions	<u>\$16,500,000</u>
-11 Total Endowed Chairs	

Art Education: \$6,000,000

-4 Endowed Chairs @ \$1.5 million each

Art History: \$7,500,000

-5 Endowed Chairs @ \$1.5 million each

Graphic Design: \$3,000,000

-2 Endowed Chairs @ \$1.5 million each

Outreach Support
 Outreach and Public Service Endowment \$8,000,000

Program-Wide Support
 School of Art Endowments \$33,500,000
 School of Art: \$9,000,000
 Technology & Maintenance: \$1,000,000
 Areas of Study: \$23,500,000
 - Art Education- \$7,000,000
 - Art History- \$7,000,000
 - Graphic Design- \$4,000,000
 - Studio Art Foundations- \$5,500,000

Fine Arts Library
 Fine Arts Library Endowment \$2,000,000

Facilities
 Edward Durell Stone Fine Arts Center Renovation \$10,000,000

b. University of Arkansas Commitment

University of Arkansas has committed to raise the program budget from \$3,283,963 to \$6,762,267 over a period of 5 years.

ART HISTORY

ART EDUCATION					
<i>Position</i>	Current/ New (Year)	Tenure/ Non- Tenure	UA Annual Commitment	Walton Annual Earnings Distribution	Walton Endowment
Lecturer	Current	N-T	\$8,501	\$0	\$0
Professor	Current	T	\$104,724	\$0	\$0
Assistant Professor	New(1)	T	\$90,097	\$0	\$0
Professor	New (1)E	T	\$130,980	\$60,000	\$1,500,000
Associate Professor	New (2)E	T	\$109,404	\$60,000	\$1,500,000
Assistant Professor	New (3)E	T	\$90,097	\$60,000	\$1,500,000
Assistant Professor	New (4)E	T	\$90,097	\$60,000	\$1,500,000
Assistant Professor	New (5)	T	\$90,097	\$0	\$0
Subtotal: <i>Endowed Faculty</i>				\$240,000	\$6,000,000
Subtotal: <i>Art Education Program Endowment*</i>				\$280,000	\$7,000,000
TOTAL:			\$713,997	\$520,000	\$13,000,000
<i>Position</i>	Current/ New (Year)	Tenure/ Non- Tenure	UA Annual Commitment	Walton Annual Earnings Distribution	Walton Endowment
Distinguished Professor	Current	T	\$143,347	\$0	\$0
Adjunct Associate Professor	Current	N-T	\$102,792	\$0	\$0

Instructor	Current	N-T	\$46,593	\$0	\$0
Lecturer	Current	N-T	\$52,256	\$0	\$0
Assistant Professor	Current	T	\$90,097	\$0	\$0
Assistant Professor	Current	T	\$90,097	\$0	\$0
Associate Professor	Current	T	\$109,404	\$0	\$0
Assistant Professor	New (2)	T	\$91,686	\$0	\$0
Associate Professor	New (3)E	T	\$111,333	\$60,000	\$1,500,000
Assistant Professor	New (3)E	T	\$91,686	\$60,000	\$1,500,000
Assistant Professor	New (4)E	T	\$91,686	\$60,000	\$1,500,000
Assistant Professor	New (4)E	T	\$91,686	\$60,000	\$1,500,000
Assistant Professor	New (5)	T	\$91,686	\$0	\$0
Subtotal: Endowed Faculty				\$300,000	\$7,500,000
Subtotal: Art History Program Endowment*				\$280,000	\$7,000,000
TOTAL:			\$1,335,329	\$580,000	\$14,500,000
GRAPHIC DESIGN					
<i>Position</i>	<i>Current/ New (Year)</i>	<i>Tenure/ Non- Tenure</i>	<i>UA Annual Commitment</i>	<i>Walton Annual Earnings Distribution</i>	<i>Walton Endowment</i>
Associate Professor	Current	T	\$113,265	\$0	\$0
Associate Professor	Current	T	\$91,824	\$0	\$0
Assistant Professor	Current	T	\$88,810	\$0	\$0
Visiting Assistant Professor	Current	N-T	\$53,685	\$0	\$0
Assistant Professor	New (1)E	T	\$90,097	\$60,000	\$1,500,000
Assistant Professor	New (2)E	T	\$90,097	\$60,000	\$1,500,000
Assistant Professor	New (3)	T	\$90,097	\$0	\$0
Subtotal: Endowed Faculty				\$120,000	\$3,000,000
Subtotal: Graphic Design Program Endowment*				\$160,000	\$4,000,000
TOTAL:			\$617,875	\$280,000	\$7,000,000
STUDIO ART					
<i>Position</i>	<i>Current/ New (Year)</i>	<i>Tenure/ Non- Tenure</i>	<i>UA Annual Commitment</i>	<i>Walton Annual Earnings Distribution</i>	<i>Walton Endowment</i>
Associate Prof. (chair)- Ceramics	Current	T	\$147,493	\$0	\$0
Instructor- Studio Technician	Current	N-T	\$45,049	\$0	\$0
Instructor- Studio Technician	Current	N-T	\$45,049	\$0	\$0
Instructor- Drawing	Current	N-T	\$41,187	\$0	\$0
Lecturer- Foundation Studio	Current	N-T	\$27,458	\$0	\$0
Professor- Photography	Current	T	\$128,710	\$0	\$0
Associate Professor- Painting	Current	T	\$109,404	\$0	\$0
Associate Professor- Sculpture	Current	T	\$109,404	\$0	\$0
Assistant Professor- Printmaking	Current	T	\$90,097	\$0	\$0
Asst. Prof.- Dir./Cur. of Exhibit	Current	T	\$90,097	\$0	\$0
Assistant Professor- Painting	Current	T	\$90,097	\$0	\$0
Assistant Professor- Ceramics	Current	T	\$90,097	\$0	\$0
Clinical Asst. Prof.- Studio Tech.	Current	N-T	\$70,791	\$0	\$0
Asst. Prof.- Foundation Studio	Current	T	\$90,097	\$0	\$0
Asst. Prof.- Video/Time Media	Current	T	\$90,097	\$0	\$0
Assistant Professor- Drawing	Current	T	\$90,097	\$0	\$0

Asst. Prof.- Foundation Studio	Current	T	\$90,097	\$0	\$0
Assistant Professor- Photography	Current	T	\$90,097	\$0	\$0
Assistant Professor- Ceramics	Current	T	\$90,097	\$0	\$0
Asst. Prof.- Foundation Studio	Current	T	\$90,097	\$0	\$0
Asst. Prof.- Foundation Studio	Current	T	\$90,097	\$0	\$0
Visiting Asst. Prof.- Ceramics	Current	N-T	\$64,355	\$0	\$0
Visiting Asst. Prof.- Printmaking	New(1)	N-T	\$64,355	\$0	\$0
Assistant Professor- Drawing	New(1)	T	\$90,097	\$0	\$0
Assistant Professor- Sculpture	New(2)	T	\$90,097	\$0	\$0
Asst. Prof.- Video/Time Media	New(2)	T	\$90,097	\$0	\$0
Assistant Professor- Printmaking	New(3)	T	\$90,097	\$0	\$0
Visiting Asst. Prof.- Photography	New(3)	N-T	\$64,355	\$0	\$0
Asst. Prof.- Foundation Studio	New(4)	T	\$90,097	\$0	\$0
Vis. Asst. Prof.-Vid./Time Med.	New(4)	N-T	\$64,355	\$0	\$0
Asst. Prof.- Painting/Drawing	New(5)	T	\$90,097	\$0	\$0
Visiting Asst. Prof.- Sculpture	New(5)	N-T	\$64,355	\$0	\$0
Subtotal: Endowed Faculty				\$0	\$0
Subtotal: <i>Studio Art Foundations Endowment*</i>				\$220,000	\$5,500,000
TOTAL:				\$220,000	\$5,500,000
STUDENT SUPPORT					
<i>Student Level</i>	Annual Award Levels	Number of Recipients per Year	UA Annual Commitment	Walton Annual Earnings Distribution	Walton Endowment
Undergraduate					\$14,000,000
Need-Based	\$1,000-\$10,000	30-50	N/A	\$280,000	\$7,000,000
Merit-Based	\$1,000-\$10,000	30-50	N/A	\$280,000	\$7,000,000
Graduate					\$36,000,000
Graduate Assistantship	\$25,000	65-75	\$1,000,000	\$760,000	\$19,000,000
SOA Fellowship (Masters)	\$5,000-\$12,500	45-55	N/A	\$440,000	\$11,000,000
Walton Fellowships (PhD)	\$30,000	6-10	TBD	\$240,000	\$6,000,000
TOTAL:				\$2,000,000	\$50,000,000
ADMINISTRATION					
<i>Endowment</i>			UA Annual Commitment	Walton Annual Earnings Distribution	Walton Endowment
<i>Director, School of Art</i>			\$130,980 salary & fringe	\$60,000	\$1,500,000**
<i>Professor of Art History</i>			+ \$10,000-\$30,000 (Director pay, contingent on qualifications)		
Outreach and Public Service		N/A		\$320,000	\$8,000,000
Fine Arts Library		\$60,000		\$80,000	\$2,000,000
Technology and Maintenance		\$55,000		\$40,000	\$1,000,000
School of Art*		TBD		\$360,000	\$9,000,000
TOTAL:				\$800,000	\$20,000,000

FACILITIES			
<i>Facility</i>	UA Commitment	Walton Annual Earnings Distribution	Walton Non-Endowed Contribution
Non-Endowed			
Edward Durrell Stone Fine Arts Center Renovation	\$10,000,000+	N/A	\$10,000,000
Annual Facilities Fees	\$367,000		
TOTAL:	\$10,367,000+	N/A	\$10,000,000

	UA Non-Endowed	UA Annual Commitment	Walton Non-Endowed	Walton Annual Earnings Distribution	Walton Endowment
TOTAL	\$10,000,000+	\$6,762,267	\$10,000,000	\$4,400,000	\$110,000,000

*Examples of Endowment Support Spending can be provided

**Director's faculty endowment is counted in Art History faculty endowment totals. The endowed faculty position will move depending on the Director's area of study. A portion of the annual earnings could be used to supplement salary.

c. First Year Grant

The School of Art has requested a first year grant of \$2,029,715 to help build out the school in its inaugural year, and assist the Director with strategic priorities.

d. Matching Opportunities

Matching opportunities may be pursued in the future to enhance endowed faculty positions.

6. Metrics

Performance metrics will be developed, in conjunction with the Walton Family Charitable Support Foundation's research officers, to measure performance and progress in terms of students, faculty and programs. Specific metrics will be outlined in the strategic plan by the Director of the School of Art after his/her arrival, and further or refined metrics may be developed over time.

a. Stipulations of Funding

In the event that performance expectations continue to not be met in given program areas, the Dean of Fulbright College, in consultation with the Walton Family Charitable Support Foundation, the Chancellor, and the Chief Academic Officer, as appropriate, may review faculty endowed chair or program activities to consider whether adjustments are necessary consistent with the underlying purposes and vision of the gift. In the course of this process, written explanations may be obtained from faculty or program administrators in the case that metrics or goals aren't achieved.

Examples: In the case that a faculty member, holding an endowed position, doesn't meet the minimum metrics to remain in the position, the earnings from the endowment may be withheld by the Dean or the endowed position may be terminated or non-renewed. For example, if an endowed faculty member does not meet the recruiting/outreach measures some or all spendable earnings above salary supplement may be withheld until metrics are met again. In this case, the faculty member will develop a performance improvement plan in consultation with the Director of the School of Art and Dean of the Fulbright College. Repeated failure to meet metrics, or failure in other respects to meet the high expectations for an endowed chair, may lead to termination or non-renewal of the endowed position.

The Dean of the Fulbright College, in consultation with the Director of the School of Art, may take such actions with any non-performing faculty or program in the School. In each case, the Dean will develop a reinvestment plan in regards to the specific endowment in question. Any endowment in the School of Art, which also pertains to the outlined performance metrics, are subject to this policy.

7. Implementation of Program Features

This Proposal, including provisions regarding student and faculty diversity, will be implemented consistent with governing law, as well as applicable University policies. Any implementation measures or adjustments to program features based on institutional legal analysis or congruence with applicable University of Arkansas policies shall not require modification of this Proposal or any associated agreement.

Exhibit B

The School of Art Endowment Categories

Faculty Support

Art Education Faculty	Endowment	\$6,000,000
Art History Faculty	Endowment	\$7,500,000
Graphic Design Faculty	Endowment	\$3,000,000
	SUBTOTAL	<u>\$16,500,000</u>

Outreach Support

	Endowment	<u>\$8,000,000</u>
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Program-Wide Support

School of Art Endowments		
School of Art	Endowment	\$9,000,000
Technology & Maintenance	Endowment	\$1,000,000
Areas of Study		
-Art Education	Endowment	\$7,000,000
-Art History	Endowment	\$7,000,000
-Graphic Design	Endowment	\$4,000,000
-Studio Art Foundations	Endowment	\$5,500,000
	SUBTOTAL	<u>\$33,500,000</u>

Fine Arts Library Endowment

	Endowment	<u>\$2,000,000</u>
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Student Support

Undergraduate	Endowment	\$14,000,000
Graduate	Endowment	\$36,000,000
	SUBTOTAL	<u>\$50,000,000</u>

Facility restoration	Non-endowed	<u>\$10,000,000</u>
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TOTAL **\$120,000,000**

First Year Grant Budget

CATEGORY	AMOUNT
Program Operations <ul style="list-style-type: none"> • \$20,000 to strategically boost each academic program in the School of Art 	\$80,000
Search Costs <ul style="list-style-type: none"> • \$20,000 each in search costs for 5 faculty positions to begin in Fall 2018 	\$100,000
Visiting Professors <ul style="list-style-type: none"> • \$170,980 each for three visiting professors in art education, art history and graphic design • Cost per each Visiting Professor: \$20,000 (search), \$20,000 (program/research), \$100,000 (salary), \$30,980 (fringe) 	\$512,940
Graduate Student Support <ul style="list-style-type: none"> • \$23,272 for 11 new graduate assistantships • Cost per GA: \$15,000 (salary), \$893 (fringe), \$7,380 (tuition waiver) 	\$256,000
Undergraduate Student Support <ul style="list-style-type: none"> • \$140,000 for need-based aid (range \$1,000-\$10,000) • \$140,000 for merit-based aid (range \$1,000-\$10,000) 	\$280,000
Staff Support <ul style="list-style-type: none"> • \$50,000-\$60,000 each for four new staff positions • Positions: Director of Communications, Director of Outreach and Recruitment, Director of Fiscal Operations, and Associate Director of Operations 	\$290,775
Marketing, Promotion and Recruitment <ul style="list-style-type: none"> • Funding for the Director to market and promote the new School of Art, and resources to begin targeted recruitment of students from top schools 	\$200,000
Director of the School of Art Search <ul style="list-style-type: none"> • Funding to employ a national search firm to conduct a comprehensive search for the Director of the new School of Art 	\$290,000
Advisory Board <ul style="list-style-type: none"> • Funding to support the recruitment of an advisory board. 	\$20,000
TOTAL:	\$2,029,715

Exhibit C**Investment Policy****I. UNIVERSITY OF ARKANSAS
FOUNDATION TOTAL RETURN POOL
(ENDOWMENT)****INVESTMENT POLICY
July 2016**

This investment policy governs the investment management of the University of Arkansas Foundation's Total Return Pool (the "Endowment") and will be effective until modified by the Executive Committee of the Foundation's Board of Directors as conditions warrant. These investment policies are approved and implemented by the Executive Committee pursuant to the Board of Directors delegation of authority.

The University of Arkansas and The University of Arkansas Foundation, Inc. have combined certain endowed and non-endowed funds into a single pool, the Total Return Pool, for purposes of custody and investment management. Assets held in the Total Return Pool are managed by The University of Arkansas Foundation, Inc. in accordance with the terms of this investment policy.

I. Investment Objectives

The overall objectives of the Endowment are to advance and support higher education, both current and future operations, for all units and activities of the University of Arkansas System. The investment objective is to enhance the purchasing power of the Endowment by generating an average annual real total return (net of investment management fees) in excess of the spending rate over the long term, with minimal return volatility.

The Investment Policy is based on the Foundation's spending policy, described in Appendix A.

II. Portfolio Composition And Asset Allocation

An asset allocation policy will be established for the Endowment consistent with its investment objectives. In setting the asset allocation policy, consideration will be given to how much risk can be tolerated relative to expected returns. Investment risk includes both the risk of the investment declining in value and the risk of volatility (degree of uncertainty) of the expected performance of the investments in the portfolio. The Endowment's investments shall be diversified across asset classes and will balance the Foundation's need for liquidity, preservation of purchasing power, and risk tolerance. The Endowment will generally be invested in five asset classes, each with a specific role in the portfolio. The target allocations for the various asset classes are given in Appendix B.

A. *Global Equities*. This includes marketable publicly traded equities in developed and emerging markets and non-marketable investments such as venture capital, buyouts and distressed securities. This will generally be the largest portion of the Endowment as a significant allocation to equities is required to maximize the likelihood of meeting the investment return objective over the long-term. Equity investments will be broadly diversified at the fund level to avoid unwarranted concentrations of risk within geographic regions, sectors, capitalizations or investment styles.

B. *Hedge Funds*. The purpose of the hedge fund allocation is to help moderate the potential

volatility of the total Endowment portfolio in order to provide additional year-to-year stability in endowment values while seeking to earn a long-term return between global equities and bonds. Hedge fund investments will be allocated across strategies and managers to provide diversified sources of return and mitigate risk.

- C. *Bonds*. The purpose of the bond allocation is to provide some protection against prolonged economic contraction, reduce volatility and help the Endowment to maintain spending during periods of depressed equity market valuations. The bond investments include U.S. government bonds, corporate debt instruments, mortgage and other asset-backed securities, and money market instruments.
- D. *Natural Resources*. The purpose of the natural resources allocation is to provide some support to the Endowment in a period of high unexpected inflation caused by, or associated with a significant increase in commodity prices, while generating near equity-like returns over the long-term. Natural resources are tangible assets such as oil and gas, metals, agricultural products and timber whose value tends to correlate more highly with inflation than the overall stock market. Natural resource investments may include both marketable and non-marketable equity in natural resource related companies as well as investments in commodity futures.
- E. *Real Estate*. The purpose of the real estate portfolio is to provide equity-like returns over the long-term, while reducing the volatility of the overall Endowment performance, and possibly provide some support to the Endowment in periods of unexpected inflation. The portfolio may include investments in private real estate partnerships and publicly traded real estate investment trusts (REITs). It is recognized that real estate is an imperfect hedge against broad based inflation and that REITs may sometimes increase overall Endowment volatility.

III. Derivatives

- A. Investment managers will utilize derivative securities only in a manner that is consistent with the policies stated in their manager or fund-specific guidelines.
- B. The primary intent of derivative security transactions will be to hedge risk in portfolios or to implement investment strategies more efficiently and at a lower cost than would be possible in the cash market. In the case of equity portfolios, derivative securities primarily include index futures, options on index futures and currency futures and forwards. In the case of bond portfolios, derivative securities primarily include interest rate futures, options on interest rate futures, currency futures and forwards, and collateralized mortgage obligations. With the exception of hedge fund managers so authorized, derivatives will not be used to leverage portfolios and derivatives-based investment strategies will not expose the portfolios to greater risk than would be typical under a strategy utilizing only cash securities.

IV. Proxy Voting

Proxies are to be voted in the best interest of the Endowment consistent with its investment objectives. Proxies should generally be voted for proposals that enhance shareholder economic value, maintain or improve shareholder rights and provide for reasonable management accountability. Responsibility for voting proxies consistent with these guidelines will generally be delegated to the investment manager.

V. Trade Execution

Managers of separately managed assets may exercise flexibility in selecting brokers and dealers to execute trades, but should use reasonable efforts to obtain best available price and execution. Commissions may be directed for obtaining products and services beneficial to management of the portfolio.

VI. Monitoring Of Objectives And Results

The Endowment as a whole, as well as the individually managed portfolios, will be monitored for consistency in each manager's investment philosophy, return relative to objectives, and investment risk. The performance of each asset class will be compared against the appropriate benchmark, as indicated in Appendix C. Regular communication from managers concerning investment strategy and outlook and updates on organizational change is expected.

VII. Conflict Of Interest Policy

- A. Under normal circumstances, no Executive Committee member, their employer or any entity in which they or their immediate family have a financial interest may manage Endowment assets. Any exception to this policy requires a vote by all of the other members of the Executive Committee.
- B. The Foundation's Executive Director will distribute annually to Executive Committee members a list of entities receiving compensation for services rendered to the Endowment. Executive Committee members will disclose annually any financial relationship they, their employer, or their immediate family have with a listed entity by completing a Disclosure Form provided by the Executive Director.
- C. Executive Committee members may invest in publicly traded investment vehicles (such as mutual funds, exchange traded funds, etc.) managed by the Endowment's investment managers so long as they do not receive any preferential terms not offered to the general public. Members should disclose any investments in separately managed accounts offered by the Endowment's managers.
- D. Executive Committee members must recuse themselves from any discussion or vote involving an entity from which they receive any financial or other benefit

VIII. Participant Redemptions

In order to maximize investment returns, cash holdings are limited within the Total Return Pool. Participants are required to give one week's notice for redemptions of over \$1 million from the Total Return Pool to allow sufficient time for liquidation of investments. In addition, a single participant may not withdraw more than \$25 million from the Total Return Pool in any 30 day period with less than 30 days written notice.

Appendix A

SPENDING POLICY

The Foundation has a singular spending policy for endowed gifts to the Foundation that is applicable to all campuses, divisions and units of the UA system that are Foundation constituents. The policy is an overall spending rate from endowed accounts of 5.0% that includes a minimum 4.4% programmatic spending component, a maximum 0.5% advancement/development overhead component, and a 0.1% Foundation overhead component.

Academic spending distributions from the Total Return Pool are calculated as follows:

- The academic spending rate shall be:
 - 4.5% annually (1.125% quarterly) for all campuses except Fayetteville, Fayetteville Campus Foundation, Little Rock, Medical Sciences and WPR Cancer Institute
 - 4.4% annually (1.1% quarterly) for Fayetteville, Fayetteville Campus Foundation, Little Rock, Medical Sciences and WPR Cancer Institute
- A 36 month rolling average value per unit is calculated as of current quarter end.
- The spending rate is applied to the 36-month rolling average value per unit to produce a spending distribution amount per unit.
- The spending distribution amount per unit is applied to the current quarterly average number of units invested in the Total Return Pool.

In addition to the distribution for academic spending described above, the Foundation charges an overhead fee on the Total Return Pool as follows:

- Campus Development Overhead:
 - 50 bps for the Fayetteville, Fayetteville Campus Foundation, Little Rock, Medical Sciences and WPR Cancer Institute
 - 40 bps for all other campuses
- Foundation Overhead:
 - 10 bps

The overhead charges are assessed in the same manner as described above for the academic spending rate.

All net investment income, gains and losses, less the amount equal to the spending rate, is to be retained permanently in each individual endowment fund.

Appendix B

POLICY PORTFOLIO

<u>Asset Class</u>	<u>Policy Target</u>	<u>Allowable Range</u>		
[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
[REDACTED]	[REDACTED]			
[REDACTED]	[REDACTED]			
[REDACTED]	[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	-	[REDACTED]

Appendix C

COMPOSITE ASSET CLASS BENCHMARKS

The policy portfolio shall have as its benchmarks, blended indexes weighted according to the current and policy target allocation percentages for the portfolio's respective asset classes. The benchmarks shall consist of the following indexes:

I.

<u>Asset Class</u>	<u>Benchmark</u>	<u>Policy Weight</u>
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]