



SUBJECT	Endowment variation: Rick Sample Memorial Research Scholarship Endowment Fund
SUBMITTED TO	Finance Committee
MEETING DATE	June 1, 2020
SESSION CLASSIFICATION	Recommended session criteria from Board Meetings Policy: OPEN
REQUEST	Action requested - Final approval IT IS HEREBY RESOLVED that the Finance Committee, in accordance with authority delegated by the Board of Governors, approves amendments to the Rick Sample Memorial Research Scholarship Endowment Fund, as set out in the amended Endowment Deed attached to the report as Appendix 1, and as recommended by the President and University Counsel.
LEAD EXECUTIVE	Hubert Lai, Q.C., AVP Office of University Counsel
SUPPORTED BY	Dr. Meigan Aronson, Dean, Faculty of Science Heather McCaw, Vice-President Development & Alumni Engagement Elizabeth Moxham, Legal Counsel

PRIOR SUBMISSIONS

The subject matter of this submission has not previously been considered by the Finance Committee.

EXECUTIVE SUMMARY

The Dean of the Faculty of Science and the Vice President Development and Alumni Engagement, with the support of Mrs. Dorothy Sample (the “Donor”), request that the Finance Committee, in accordance with authority delegated from the Board of Governors, approve amendments to the Rick Sample Memorial Research Scholarship Endowment Fund (the “Fund”) established pursuant to the Fund’s Endowment Deed (the “Endowment Deed”), as set out in the attached proposed amended Endowment Deed for the Fund.

The amendments will have the effect of:

- (a) broadening the eligibility criteria of potential award recipients;
- (b) renaming the Fund the “Rick Sample Memorial Award In Computer Science Endowment” to align with the types of awards as defined by University’s Senate Policy, Policy V-200.2 - Student Awards (the “Senate Policy”); and
- (c) restating the endowment deed in accordance with the University’s current standard templates, except that the variation clause from the original endowment deed has been retained.

Since 1992 to present day, \$55,100 has been donated to the University by family and friends in memory of Rick Sample to establish the Fund which supports research scholarships for undergraduate students who are participating in summer internships in the Department of Computer Science (the “Department”) at the University. The Donor, Rick Sample’s mother, has made gifts totalling \$38,100, while family and friends have given an additional \$17,000. Rick Sample (1958-1989) was a valued staff member of the Department of Computer Science. While completing his graduate studies, Rick (B.Sc. 1980, M.Sc. 1984) researched the early protocols that developed into today’s email systems.

As of December 31, 2019, the Fund has capital of \$172,970 and allocates approximately \$7,850 annually to support the summer internships in accordance with the current spending rate under the University's Endowment Policy (FM5).

Over the years, the research scholarship has been disbursed to summer interns in the form of a research stipend. Since the Fund was initially created there are now many more research opportunities available to students (USRA, faculty funded, co-op, etc.) and it has become increasingly difficult to find summer interns. Furthermore, although the Department awards the stipend to students with high academic standing, those students do not get recognized for the award on their transcripts.

The Department would like to amend the terms of the Fund so that it can be disbursed as an academic award instead of a student summer internship in order to create a larger candidate pool from which to select recipients. This would also have the benefit of allowing the award to be recognized on student transcripts in accordance with the Senate Policy. To achieve this, the Fund's Endowment Deed needs to be amended.

The Board's authority to vary the terms of the Fund is found in section 5 of the Endowment Deed, which provides that:

"If in the opinion of the University the operation of the Endowment becomes impossible or impractical or is not achieving its purpose in a satisfactory manner the University may vary the terms of this Deed of Endowment, but so that the name of Rick Sample shall always be associated with it; provided that such a variation may be made only upon the recommendation of the President to the Board of Governors and the approval of the Board."

The Office of University Counsel supports this request.

APPENDIX

1. Blackline of proposed amended Endowment Deed



THE UNIVERSITY OF BRITISH COLUMBIA

**RICK SAMPLE MEMORIAL RESEARCH SCHOLARSHIP AWARD IN COMPUTER
SCIENCE ENDOWMENT
TRUST DEED**

Amended and Restated as of _____, 2020

*(Varies the original Endowment Deed for The Rick Sample Memorial Research Scholarship
Endowment Deed, approved January 25, 1991)*

1. Name of Fund

1. The Endowment Fund shall be ~~Fund shall be~~ known as the Rick Sample Memorial Research Scholarship Award in Computer Science Endowment Fund.

(1) ~~The capital of the of (the “Fund shall be held by”).~~

2. Purpose of the Fund

The purpose of the Fund is to support award(s) for undergraduate students studying computer science research at the University (the “Purpose”).

The University of British Columbia and (the “University”) will hold the Fund in trust, use the Fund to support the Purpose and manage the Fund in accordance with the University’s policies, including the Endowment Management Policy and its associated procedures, as amended from time to time (the “Policies”). Without limiting the generality of the foregoing, the University will:

(a) make an annual allocation based on the spending rate established under the Endowment Management Policy and credit the annual allocation to the Fund’s spending account; and

(b) use the funds in the spending account to support the Purpose.

3. The Endowment Pools

The University manages a large number of endowment funds in its main endowment pool (the “Endowment Pool”), of which the Fund will be one. All of the endowment funds that make up the Endowment Pool are governed by the Policies.

4. Investment of the Fund

The University may be invested;

2.(a) invest and reinvested by reinvest the University Fund in such investments as the University shall decide; decides and in making such those investments the University shall is not be restricted limited to the investments for trustees set

~~out in authorized by the Trustee Act of the Province of British Columbia, in any similar legislation or in any amendments or other law relating to the Act or similar legislation, trust funds; and~~

~~(b) (2) — Without restricting restricting the generality of the provisions of sub-clause (1) above, the University may invest and maintain the Fund as part of its pooled endowment investments, the Endowment Pool.~~

~~(3) — In making investment decisions, the University shall have as its objective the maintenance of the real capital value of the Fund and the generation of a sufficient flow in income to fund the Research Scholarship properly.~~

~~5. (4) — Additional Contributions~~

The University may accept or make further contributions to the Fund, from any ~~other~~ source, whether by gift, ~~will~~Will or otherwise, ~~or may itself add to the capital of the Fund~~, provided that ~~the any further contributions will be governed by the trust terms and conditions of any such donation or addition to the capital shall be in conformity with established in this deed of Endowment, Trust Deed.~~

~~6. (1) — The income of the Fund shall be used by the University to fund Research Scholarships in accordance with the provisions of Schedule A and without restricting the generality of the authority of the University to use the income in any manner Encroachment on the Fund~~

~~3. — Although very uncommon, circumstances may arise where it sees fit in support of that object, is advisable for the University may:~~

- ~~1. use income to award Research Scholarships;~~
- ~~2. use income to pay the expense associated with the administration of encroachment on the Fund;~~
- ~~3. where income is not for the time being used invest. The University may encroach on the Fund in such income in accordance with the provisions of clauses 2(1) and (2), circumstances but so only if that the investments shall retain the status of income;~~
- ~~4. capitalize income in order to preserve the real capital value of the Fund.~~

~~(2) — If in the opinion of the University it is clearly necessary to do so in order to carry out the purposes of the Fund, the University may from time to time encroach upon the capital of the Endowment; provided however that such encroachment may take place only upon the recommendation of is recommended by the President to the Board of Governors and ~~the approval of~~ is approved by the Board of Governors.~~

7. University Policy

~~4. Decisions on the granting of Research Scholarships and on, financial and otherwise, with respect to any award arising from the Fund, including the continuing eligibility of the holder of a Research Scholarship to receive the Research Scholarship person to hold an award or to obtain a renewal of the Research Scholarship, thereof, as well as any matters relating to the investment, management, use and decisions on the administration, financial and otherwise, of the Fund shall will be made in accordance with the policies of the University as they may be amended from time to time Policies.~~

8. Variation of Terms

~~5. If in the opinion of the University the operation of the Endowment becomes impossible or impractical or is not achieving its purpose in a satisfactory manner the University may vary the terms of this Deed of Endowment, but so that the name of Rick Sample shall always be associated with it; provided that such a variation may be made only upon the recommendation of the President to the Board of Governors and the approval of the Board.~~

The University has executed this amended and restated Endowment Deed on the date appearing below.

The University of British Columbia
by its Authorized Signatory:

Santa J. Ono
President and Vice-Chancellor

Date: _____

Approved as to form by the Office of the
University Counsel:

Date: _____