

**10-6 Addendum: Regulations for Investment of Endowment Funds**

The Board of Regents (the Board) of Eastern New Mexico University (the University) adopts the following regulations pursuant to Chapter 69, Laws of 1991 to govern the investment by the Board of each endowment fund of the University:

1. The Board shall appoint an Investment Advisory Committee (IAC) to provide investment guidance for the endowment funds to the Board. The IAC members shall be individuals having demonstrated experience and skill in the field of investment of endowment funds.
2. The IAC shall have five (5) members appointed by the Board. The Board shall by lot determine the terms of the members in office at the time of adoption of these regulations. Those members shall be designated by the Board to serve for one (1)-, two (2)-, three (3)-, four (4)- and five (5)- year terms so that a term of one (1) member shall expire each year. Thereafter, one (1) member of the IAC shall be appointed by the Board each year to serve for a five (5)-year term. A member appointed to fill a vacancy shall serve for the balance of the vacant term.
3. The IAC shall have a chairperson who shall be appointed by the Board annually.
4. The IAC shall at least meet quarterly pursuant to an established calendar. Unless another place is selected, the meeting shall ordinarily be rotated among the communities of Portales, Roswell and Ruidoso, New Mexico. The IAC shall keep a record of its proceedings and shall report to the Board annually and on request by the Board.
5. IAC members, while acting on behalf of the University in their capacity as IAC members, shall be reimbursed by the Board for reasonable expenses incurred in the performance of IAC duties.
6. The IAC shall develop a comprehensive investment policy for the investment of endowment funds by the Board in accordance with law. The policy shall be submitted for approval to the Board. The IAC may recommend to the Board for approval and in accordance with the New Mexico Procurement Code an investment advisor who shall assist in formulation and implementation of policy.
7. The standard for evaluation of endowment fund assets shall be that the investment of endowment fund assets shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.
8. These regulations may be altered, amended or repealed and new regulations may be adopted by the Board.

Amended version approved by University Policy Council October 24, 2005.

Approved by the Board of Regents on November 17, 2005.