



**Theodore Michael Kelly, Sr. and Melinda S. Kelly  
Ethics Across the Curriculum Endowment**

**Purpose:**

Mars Hill University has chosen to anchor Ethics Across the Curriculum in the general education program. Every Mars Hill student is now required to take, as part of the first-year experience, a course in ethical reasoning. First Year Seminar II (known as FYS112) is the curricular foundation for and the most visible element of Ethics Across the Curriculum. Building on the success of FYS 112, the vision for the initiative is to develop ethics-intensive courses in all disciplines. The long-term plan is to develop a certificate program in ethics or ethical leadership. An endowment will provide an annual, reliable income source that will enable the Ethics program to grow and to be sustainable. The endowment will be used for activities in support of the Ethics program, inclusive of, but not limited to, faculty training and travel, curricular materials, the Ethics Center and co-curricular efforts such as the Ethics Bowl.

**Funding Procedure:**

The endowment is created by Mike and Melinda Kelly as part of their gift to the *Building Our University* Campaign. It is anticipated the endowment will reach \$100,000 by 2018 through a combination of personal contributions by the Kelly's which will be matched by the Macy's Foundation Employee Matching Gift Program. Additional gifts can be added to the fund at any time by interested parties.

**Annual Distribution:**

The corpus will not be used to make a distribution. Distributions from the Fund will be made annually as a percentage of investment income, based on the corpus amount, as set by the Board of Trustees. No distributions will be made until one year after the principle reaches a minimum of \$20,000. Distribution requests will be made by the Director of the Ethics Across the Curriculum Program in consort with the Executive Vice President.

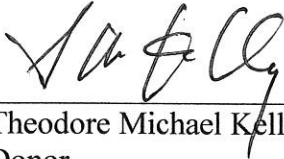
**Accounting and Investment of Endowment Assets:**

The Fund will be held in perpetuity, invested, controlled and accounted for by the Board of Trustees in collaboration with professional management as part of its overall endowment. The University shall invest

Endowment assets as an institutional fund under UPMIFA with the goal of optimizing yield and maintaining the spending power of the endowment assets. The endowment assets shall be subject to the investment policies of the University relating to endowments, and shall be managed in a manner that is consistent with these requirements. The University shall exercise exclusive authority over management of the endowment, including the pooling of the Endowment for investment and payout purposes.

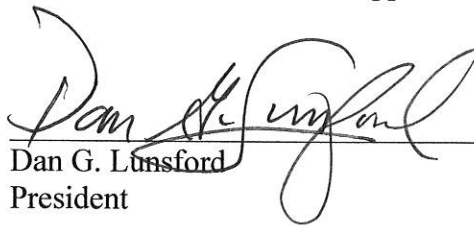
**Unforeseeable Circumstances:**

In the unlikely event it becomes impossible for any of the categories specified above to serve the specific purpose for which this Fund was created, the University President shall direct the proceeds of this gift be devoted to purposes that are deemed to be the most consistent with the approval of the Donors, following consultation with the Donors.



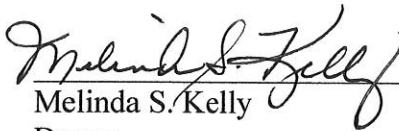
Theodore Michael Kelly, Sr.  
Donor

Date: 2-25-14



Dan G. Lunsford  
President

Date: 2/28/14



Melinda S. Kelly  
Donor

Date: 2/25/14