



EXHIBIT A

Effective: July 1, 2022

Summary of Fees and Endowment Distributions

The Foundation is a non-profit corporation legally separate from New Mexico State University. Its budget is primarily supported by fees described below. State funding appropriations to the University are not sufficient to cover the costs of the development and conduct of private fundraising programs needed to meet the financial requirements of the University.

Gift Fee

A one-time gift fee of 5% will be assessed on all gifts to NMSU and the Foundation on the value of the gift up to \$5 million, and a one-time gift fee of 2.5% will be assessed on the value of the gift between \$5 million and \$10 million. The gift fee will be collected at the time the gift is received.

This gift fee shall be allocated to supplement the operating costs of the advancement programs of NMSU, which shall include the operation of the Foundation, the University Department of Advancement, and development programs within the colleges of the University.

Management Fee

The Foundation annually allocates a total of 1.8% (as of the date of this Exhibit) of the Foundation's Endowment Pool market value, averaged over a 12-quarter period, to support the operations of the Foundation.

Endowment Distributions

The Foundation annually allocates a total of 4% (as of the date of this Exhibit) of the Foundation's Endowment Pool market value, averaged over a 12-quarter period, and makes that amount available for distribution to the beneficiary colleges, departments, units, and programs to support the purpose of the gift account.

Funds placed into the Endowment are pooled for investment much like a mutual fund investment. The Foundation utilizes a 12-quarter average to smooth out short-term market value fluctuations.

The Foundation's Board of Directors may change the management fee policy and/or the distribution policy from time to time to protect the intergenerational equity of the Endowment.