

ENDOWED CHAIR POLICY

I. Purpose

The purpose of this policy is to provide guidelines for the establishment and administration of endowed chairs. An endowed chair is a faculty position, with or without perquisites, staff or administrative assistance, supported by income from an endowment fund established by a gift or gifts from sources external to the University. The University creates endowed chairs to recognize the interests and contributions of benefactors. It awards endowed chairs in order to retain, recruit and reward faculty members who have demonstrated excellence in research, teaching and professional contributions at a level that brings external recognition to the University.

II. Establishment of Endowed Chairs

- A. The decision to undertake the fundraising for and the terms for establishing an endowed chair will be made by the President, after consultation with the Board of Trustees, the Provost, and other relevant university administrators, and should only be made if doing so is consistent with the goals of the University. The purpose of an endowed chair should be specified in writing, as part of an endowment agreement, at the time the chair is established.
- B. An endowed chair will be considered established upon execution of an endowment agreement and acceptance of (i) cash, or a binding pledge that within a prescribed period of time a fund will be created to provide sufficient income to meet the purposes of the endowed chair, or (ii) a binding commitment to provide income from an equivalent fund held inviolate by a trustee. A donor may give funds to be invested until these resources are sufficient to meet the purposes of the endowment agreement. For purposes of this policy, all such cash, income, funds and resources are collectively referred to as the “chair endowment”. During any such investment period, funds may be added to the chair endowment, but the income may not be withdrawn for other uses except with explicit directive of the donor. The endowed chair will not be filled until sufficient funds are available to meet the purposes of the endowment agreement, which, as a general matter, means the chair endowment is two-thirds funded through donor contributions.
- C. The chair endowment will be held and administered by the University in accordance with applicable policies. For purposes of this policy, the income earned on the chair endowment will be considered “usable income”. Subject to the terms of the endowment agreement and Section III.E below, the usable income may provide for the base salary, fringe benefits, office space, clerical assistance, supplies, equipment, travel, computer use, library support or other suitable purposes. Expenses

incurred in the management of the chair endowment will be covered by the usable income. The University will not commit particular resources to any chair endowment, except as specifically set forth in the endowment agreement.

III. Appointment of an Endowed Chair

- A. Endowed chairs are intended for category 1 faculty, though, in special circumstances, may be awarded to category 2 faculty, who are scholars and teachers distinguished by wide recognition of their professional accomplishments. A chair may be used to honor a distinguished tenured or tenure track faculty member or to attract a new tenured or tenure track faculty member to the University. If a qualified, viable candidate is not available, it is not necessary to make an appointment. In exceptional circumstances, an endowed chair may be awarded to a category 2 faculty member; however, this appointment must be for a specified time (a temporary appointment) and is not renewable.
- B. The holder of an endowed chair shall be designated as the (benefactor) Professor of (field) and will be so designated in official correspondence and University publications.
- C. Subject to the terms of the endowment agreement, an endowed chair may be designated for (i) a probationary appointment, (ii) a tenured appointment, (iii) a temporary appointment for a specified period of time or (iv) a series of temporary appointments. Appointments may be made on a semester, academic-year, or twelve-month basis. The Provost will recommend to the President the length of appointment for each endowed chair, and the President, in his or her discretion, will establish the designated length of each such appointment. As a general matter, the University will strive to provide five-year appointments for endowed chairs. The holder of an endowed chair will occupy the chair for the period so specified.
- D. The process for appointing an individual to an endowed chair will be as follows: The dean, in consultation with the department chair, if appropriate, will recommend to the Provost the appointment of a faculty member to an endowed chair. The Provost, after consultation with the dean and any other University administrators or faculty that he or she deems appropriate, will make a recommendation to the President. The President, in his or her discretion, will decide whether to recommend the appointment to the Academic Affairs Committee of the Board of Trustees. Upon the recommendation of the Academic Affairs Committee, and approval of the Board of Trustees, the President will send a letter to the faculty member setting forth the length and terms of the appointment. The faculty member, upon the expiration of his or her appointment, may be

reappointed to the endowed chair at the discretion of the President after consultation with the Provost, as appropriate.

- E. Contingent upon availability, an endowed chair holder will be allocated an annual discretionary “allowance” from the usable income. The amount of the allowance will be set forth in the President’s letter of appointment. Endowed chair allowances are to be used for professional expenses and expended in accordance with all pertinent University policies and procedures. In addition, the following restrictions shall apply:
1. The holder of an endowed chair may annually fund a maximum of the equivalent of one month of summer salary per year for himself or herself from the allowance.
 2. Use of the allowance to pay salary support for graduate students is encouraged, but such funds cannot be used to pay salary to other faculty members.
 3. Any unused allowance, up to the equivalent of one year’s allowance, may be carried over from year to year during the term of the appointment, and an endowed chair holder may spend any remaining allocated funds for one year after the end of his or her appointed term, after which time any such funds shall revert back to the chair endowment. Carry over of amounts in excess of one year’s allowance can occur only if approved by the Provost based on a plan to expend the excess carry over in the following year.

IV. Obligation of Holders of Endowed Chairs

For each year of the term, a holder of an endowed chair is required to submit to the President, Provost, Director of the Office of Donor Relations and his or her dean a brief narrative report summarizing: (i) his or her main professional accomplishments, (ii) graduate students advised and graduated and senior research associates and research associates mentored, (iii) goals for the next year, and (iv) an accounting of expenditures from the allowance. The report is due by August 31 of each year.

V. Periods When an Endowed Chair is Not Occupied

During any period in which an endowed chair is not occupied, the usable income from the chair endowment may be used for any purpose authorized by and consistent with the endowment agreement, provided such use is approved by the Provost.

VI. Disestablishment of an Endowed Chair

- A. The establishment of an endowed chair is contingent on completion of the funding level specified in the endowment agreement. A chair endowment that

has not reached full funding either by the end of the specified pledge period or the maturity of the deferred gift or bequest shall be reviewed. Such a review will include any alternative uses for the payout prescribed by the endowment agreement and/or through discussions with the donor. If appropriate, the President may propose the disestablishment of the chair and an alternate use of the chair endowment funds.

- B. Subject to the terms of the endowment agreement and/or with the donor's approval, the President is authorized to disestablish an endowed chair in the event that (i) the subject area ceases to be consistent with the University's goals or the academic plan of the campus, or (ii) the endowed chair remains vacant for a period of three years and the President, after consultation with the Provost and the relevant dean and chair, determines there is little likelihood of filling the chair.
- C. Upon disestablishment of an endowed chair funded through a gift, the payout of the chair endowment's funds shall be reallocated to the alternative purpose stated in the gift instrument or as subsequently specified by the donor. If a donor is deceased and has not specified an alternative purpose, the President shall seek legal counsel for an alternative use of such fund payout in a related field.