

## SECTION 5. Fundraising and Development

### 5.4 Guidelines on Funding Endowed Chairs, Professorships, Fellowships, and Flexible Endowments

#### 5.4.1 Purpose

The purpose of this document is to facilitate and provide funding guidelines for endowed chairs, professorships, fellowships, and flexible endowments. The annual payout on all University Foundation endowment accounts may vary over the years, depending on investment returns. All annual earnings in excess of the Foundation's existing payout policy will be added to the endowment's principal, which will allow the particular fund to grow and keep abreast of inflation over time.

#### 5.4.2 Endowed Chair - Minimum \$2 Million

An endowed chair requires an endowment sufficient to support the salary of a fulltime professor appointment at top step, excluding benefits. The University retains the option to fund a portion or all of the full professor, top-step position from state general fund sources and/or to use a portion or all of the annual income generated by the endowed chair to provide additional support, such as teaching/research assistants, library materials, travel, and other related needs. The amount required for an endowed chair will change as the salary level for the position increases.

#### 5.4.3 Endowed Professorship – Minimum \$1 Million

An endowed professorship requires an endowment equal to the salary of one halftime full professor appointment at top step, excluding benefits. The University retains the option to fund a portion or all of the salary of one half-time full professor, top-step position from state general fund sources and/or to use a portion or all of the annual income generated by the endowed professorship to provide additional support, such as teaching/research assistants, library materials, travel, and other related needs. The amount required for an endowed professorship will change as the salary level for the position increases.

#### 5.4.4 Endowed Fellowship – Minimum \$100,000

An endowed fellowship requires an endowment sufficient to support the salary of one quarter-time full professor appointment at top step, excluding benefits. The University retains the option to fund a portion or all of the one quarter-time full professor, top-step position from state general fund sources and/or to use a portion or all of the annual income generated by the endowed fellowship to provide additional financial support for teaching/research assistants, travel, library materials, and other related needs. The amount required for an endowed fellowship will change as the salary level for the position increases.

#### **5.4.5 Flexible Endowments – Minimum \$25,000**

Flexible endowments will allow individuals to make a major gift to the University without requiring that all necessary capital be provided at one time. Annual gifts will be made to provide expendable annual income equivalent to the amount the endowment would generate, were it in place. In concert with annual gifts, the donor may make additional gifts to build the principal. The annual gift can be combined with annual endowment income to meet the agreed-upon annual donation.

#### **5.4.6 Faculty Appointments**

Faculty appointments made in conjunction with any of these endowment gifts and the terms of appointments will be subject to normal campus appointment and review procedures. The President will have final approval of all appointments and the terms of appointments to endowed chairs, professorships, fellowships, and flexible endowments.

#### **5.4.7 Acceptance of Endowed Chairs, Professorships, and Fellowships**

No commitment will be made to accept a gift to name an endowed chair, professorship, fellowship, or flexible endowment without prior approval of the President.

#### **5.4.8 Use of Endowment Income**

During periods in which there is no incumbent, the income from the endowment may be used to support scholarly activities in the general academic area of the chair, professorship, fellowship, or flexible endowment, or (with the donor's written instructions) it will be added to the principal of the endowment.

#### **5.4.9 Endowment Agreement**

If possible, each of these endowment gifts will be governed by an agreement specifying the source, holding, and use of the funds.

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