

6001: POLICY FOR THE ESTABLISHMENT AND ADMINISTRATION OF ENDOWED CHAIRS

A. DEFINITION AND AUTHORITY

Policy

This policy is in accordance with University of California policy (**APM 191**) and shall guide the establishment of all Endowed Chairs. Endowed Chairs are awarded to honor extraordinary academic achievement and to recruit and retain the most distinguished scholars.

Definition

An endowed chair is a perquisite that is supported by income from an endowment fund established by a gift or gifts from private sources and is made available to a distinguished faculty member in support of his or her teaching, research, and service activities. An endowed chair may be assigned to a School, Unit or Organized Research Unit (ORU).

Approvals

The establishment and naming of an Endowed Chair is subject to approval by the University of California Office of the President (UCOP) upon recommendation of the Chancellor. No commitment for establishing and naming a Chair shall be made to a prospective donor prior to Presidential approval.

B. REQUIRED MINIMUM LEVELS FOR ENDOWED CHAIRS

Minimum Endowment Principal

The minimum standard for endowed chairs at UC Merced is \$500,000.

Faculty and Salary Provision

Prior to any commitment on the part of the University, the campus must have available and must commit, if necessary, the general fund faculty provision and salary for the holder of the Chair. [Note: University policy allows for use of endowment payout to support base salary unless expressly prohibited by the gift agreement. **APM 191.D.2,5**]

C. ESTABLISHMENT, NAMING, AND FUNDING OF THE ENDOWED CHAIR

An Endowed Chair will be established only upon acceptance by the Chancellor of either:

1. Cash or a binding pledge that immediately or within a reasonable period of time will create a corpus in an amount sufficient to provide income adequate for meeting the purposes of the chair, or
2. A legally binding commitment to provide appropriate income at the end of each fiscal year from an equivalent corpus held inviolate by a trustee.

In the latter case, see UC policy, **APM 191, B.7**. Following approval by the President, the Chair will be deemed "conditionally established" until full funding is achieved. [Note: UC policy provides for contingent approval of Chairs to be funded through a bequest for deferred gift. See **APM 191.B.6,7**]

Associate Vice Chancellor for Development or designee shall coordinate all contacts and discussions with prospective donors.

The subject area of the Endowed Chair must be consistent with the mission of the University of California and the academic plan of the campus. The gift instrument shall permit appropriate alternative distribution of the income by the campus if the subject area of the Endowed Chair ceases to be consistent with the University's mission or the academic plan of the campus. Such alternative distribution shall be as closely related to the donor's original intent as is feasible.

A Chair may be named in honor of the donor or an honoree proposed by the donor, subject to approval by the President.

Income from an Endowed Chair is to be made available to the faculty member appointed to the Chair in support of teaching and research. In addition, unless expressly prohibited by the gift instrument, fund payout may be used for all, or for a portion, of base salary, off-scale component of salary, sabbatical supplement, summer salary, additional compensation under a campus-approved compensation plan in accordance with applicable policies, or other additional compensation permitted by University policy **(APM 191.D.2,5)**.

D. ADMINISTRATION OF ENDOWED CHAIRS

Income from an Endowed Chair is to be made available to the faculty member appointed to the Chair in support of teaching, research and service. In addition, unless expressly prohibited by the gift instrument, fund payout may be used for all, or for a portion, of base salary, off-scale component of salary, sabbatical supplement, summer salary, or other additional compensation permitted by University policy. Use of funds will be reviewed annually by the Provost/EVC, Associate Vice Chancellor for Development, and Alumni Relations.

The budget in any given year will not exceed the income available from the existing endowment.

The terms of the endowment shall be reviewed at least once every five years to ensure that the campus is continuing to fulfill its legal obligations to use Endowed Chair income in a manner consistent with the donor's expressed intent. **(APM 191.D.4)**

During any period in which the Chair is not permanently occupied while the search proceeds for a suitable candidate, the Chancellor or the Provost/EVC may authorize use of the funds, after consultation with the relevant Unit(s), to use the endowment's income for other purposes in support of research and teaching in the designated area of study.

If an established, fully-funded Chair has remained vacant for a period of three consecutive years or more, or if the Chair's accumulated income exceeds five years of payout, the office of the Provost/EVC, in consultation with the Controller's Office, shall review the fund's terms and administrative history to ascertain the reason for the accumulation and take appropriate corrective action consistent with the terms of the gift agreement or consistent with the terms of the administrative allocation.

Provision shall be made in the gift document for the addition of unexpended endowment income to principal when circumstances warrant such action.

E. APPOINTMENT TO ENDOWED CHAIRS

Terms

Unless otherwise provided in the terms of the gift, an individual will be appointed for a period of five years, with the option of reappointment. Appointments to endowed chairs shall be made in accordance with regularly established procedures for faculty appointments **(MAPP 2013)**. All appointments must be reviewed at least once every five years. The Chair appointee will be informed of this policy during recruitment. An Endowed Chair may be filled successively by a series of individuals appointed for prescribed periods, unless otherwise provided in the terms of the gift. An individual may simultaneously occupy more than one Endowed Chair at any given time.

Authority

The Provost/EVC has final approval authority for appointment to an Endowed Chair. If the proposed salary is above-scale, Regental authority is required to approve the salary.

Diversity

Endowed Chairs are intended to foster academic excellence among the faculty of the University (**APM 191**). Per **APM 210-1.9**, “contributions in all areas of faculty achievement that promote equal opportunity and diversity...should be evaluated and credited in the same way as other faculty achievements.” Therefore, it is expected that considerations regarding diversity and equal opportunity will be inherent in the appointment and reappointment proceedings for all Endowed Chairs regardless of whether this is expressly specified in the gift instrument. The following processes have been developed with this principle in mind.

Annual Reporting

Annual reporting is expected of every faculty member; holders of endowed chairs should discuss those accomplishments pertinent to their chair with their AP chairs during their regularly scheduled annual reviews (**MAPP 2014, APM 220-80.b**)

F. APPOINTMENT PROCESS

An Endowed Chair vacancy may be employed in any of the following circumstances: as part of a faculty recruitment, as a recruitment tool during the faculty appointment negotiation process, or an existing faculty member may be appointed to an Endowed Chair.

When an Endowed Chair appointment is being considered for a new faculty member, whether it is included in the recruitment itself or is used as a negotiation tool for a selected candidate, the relevant Dean(s) will, after consultation with the appropriate AP Chair(s), appoint a faculty Endowed Chair Review Committee with representation from all affected Units as well as a Faculty Equity Advisor. The Review Committee will review all case materials and add its recommendation to the Case File prior to its going forward to the candidate’s Unit’s review committee and subsequent faculty vote. The recommendation document will explain the committee’s rationale for endorsing or rejecting the proposed candidate.

When an existing faculty member is to be sought for an Endowed Chair appointment, an announcement must be made to all appropriate UC Merced faculty. It should be sent from the relevant Dean or Deans depending on the scope of the Chair to be filled (i.e., discipline-/ School-specific, or campuswide). The announcement should include all relevant information about the parameters for the Chair, and should specify the desired response from interested faculty members, typically a Statement of Interest to be returned to the Dean(s) by a specified date. Once all Statements of Interest have been collected, the Dean(s) shall appoint a faculty Endowed Chair Review Committee as described above. The Committee will review all Statements and provide a ranked list to the Dean(s) of its recommended candidates, along with a report describing its process and the rationale for selection of the top candidate.

The process from this point follows the normal procedures for faculty appointment cases. The case materials for the Endowed Chair appointment recommendation may come to the Academic Personnel Office (APO) in tandem with a faculty review case file if the candidate is also undergoing a regularly scheduled personnel review. Appointment to an Endowed Chair should be considered a separate action from a faculty appointment or review, and requires a separate faculty vote. The Case Analysis and Dean’s Recommendation memo, however, may be identical documents for both actions. The Endowed Chair recommendation will be supported by the additional faculty appointment documents (Statement of Research, letters of reference, etc.). The materials required for the Endowed Chair recommendation will include:

- Transmittal Memo with Faculty vote

- Development Office document containing description and stipulations of the endowment
- Case Analysis
- Dean's Recommendation Memo
- Current Curriculum Vitae
- Self-Statement describing the alignment of candidate's research interests with the Endowed Chair

The file will be submitted by APO to CAP for recommendation, and then to the Provost/EVC for consideration and final decision. If the decision is a positive one, the appointment letter for the Chairholder will be issued separately from the faculty appointment letter.

G. REAPPOINTMENT/RENEWAL PROCESS

Unless precluded by the endowment agreement, reappointment of the Chairholder may be considered. The Dean of the relevant School, following consultation with the Development Office to verify continued funding, the appropriate Unit Chair, and the Endowed Chairholder, will make a decision whether to seek reappointment of the incumbent to the Endowed Chair or to search for a new Chairholder. If the recommendation is to seek reappointment, a review of the accomplishments of the Chairholder will be conducted during the final year of the appointment period. Review will follow the full procedures for advancement (that is, short-form reviews are not allowed). The completed case file should be submitted no later than **April 1** to APO, which will forward it to CAP for recommendation and then to the Provost/EVC for consideration and final decision. The case should focus specifically on activities performed during the review period, which is unlikely to be coterminous with a regular review period. Thus, the self-statement and the bio-bib will be unique and will not impact regular reviews. That is, materials administratively reviewed between appointment and review of the chair may count, and materials not yet used in a regular review will count in the next regular advancement review.

Should the need to renew an Endowed Chair appointment happen to coincide with the Chairholder's faculty advancement review, these shall be treated as entirely separate actions with two separate faculty votes, and therefore two Transmittal Memos. Other documents from the list above may be identical for both actions, and need only be submitted once.

The following criteria will be considered when reviewing the appointment of an Endowed Chairholder:

1. The degree to which activities specific to the Endowed Chair as designated by the donor and approved by the University, as well as goals to which the Chairholder committed, were fulfilled.
2. The activities of the Chairholder in support of the scholarly activities, teaching, University and public service activities, and contributions to diversity of the Unit and campus.
3. The quality of the intellectual leadership provided to the Unit and campus by the Chairholder.
4. The degree of enhancement of the academic life of the campus as a whole as a result of this appointment.
5. The progress of the Chairholder in scholarly activities, teaching, University and public service, and contributions to diversity as expected for faculty at the same academic rank.

If the recommendation is for non-reappointment of the incumbent, the Dean will provide written notice, with copies to the Provost/EVC and APO, to the faculty member notifying him or her of the reasons for

not seeking reappointment (limitations of funding, service limits imposed by the endowment agreement, performance issues, etc.).

If a new Chairholder is to be sought, the processes under "Appointment Process" above shall be followed.