

UNIVERSITY OF CALIFORNIA, BERKELEY ADMINISTRATIVE GUIDELINES FOR ENDOWED CHAIRS AND PROFESSORSHIPS

These guidelines concern campus implementation of portions of section 191 of the Academic Personnel Manual (APM), which incorporates policy approved by the UC Regents in May 1998. That section of the APM includes discussion of issues that fall both within and beyond the scope of academic personnel policy.

This document primarily concerns administrative matters. The guidelines below have been developed collaboratively among University Relations and the Vice Provost for the Faculty. Academic personnel guidelines developed by the Vice Provost for the Faculty and the Senate's Committee Budget and Interdepartmental Relations may be found here: <http://apo.berkeley.edu/Endw.Chairs&Professorships-2014.Academic-Guidelines.pdf>

I. PURPOSES

1.1 Faculty chairs and professorships provide funds to their incumbents in support of their teaching, research, and service.

1.2 Administrative chairs provide funds to support the teaching, research, and service activities of a department, research unit, program, school, or college.

1.3 Interdisciplinary chairs are faculty chairs that help to support the operations and activities of a multidisciplinary initiative in addition to providing funds to their incumbents in support of their own teaching, research, and service.

1.4 If it is not clear to which category a particular chair belongs, those responsible for its administration should consult with University Relations about the steps required for clarification.

II. FUNDING OF ENDOWED CHAIRS AND PROFESSORSHIPS

2.1 Endowed chairs and professorships are funded with gifts of \$2 million and \$1 million, respectively. Pledges meeting campus guidelines can be used to create endowed chairs and professorships.

2.2 Distinguished chairs, which generally support multidisciplinary initiatives, are funded with gifts of \$3 million.

2.3 Chancellor's Distinguished chairs, which support tenured faculty members who are internationally renowned in their field of scholarship, are funded with gifts of \$5

million.

2.4 The funding required to endow a chair or professorship must come from gifts and pledge payments rather than from growth in invested principal.

III. SOLICITATION AND FUND TERMS

3.1 The area for the chair or professorship must be sufficiently broad and must be consistent with the long range academic plan of the unit.

3.2 Any commitment to a prospective donor to establish and name a chair or professorship must stipulate that establishment and naming are subject to presidential approval.

3.3 A chair or professorship may be named in honor of the donor and an honoree proposed by the donor, including active or emeritus faculty.

3.4 Terms must state that should the designated area of study no longer be part of the campus's academic program, the Chancellor, in consultation with the donor when circumstances permit, may re-direct the endowment for other similar purposes that are consistent with the original intent and interests of the donor.

3.5 Terms must state that payout may be reinvested to principal when the chair is vacant or as requested by the unit. Such requests are approved by University Relations.

3.6 When given the opportunity, the campus will ensure that deferred gifts meant to fund chairs and professorships will be documented in a way that stipulates that future funding of endowments will occur at prevailing levels. Such documents will indicate alternative designations for the funds if they are not sufficient to meet these levels.

3.7 A donor may designate that a chair will be an administrative chair and that the holder is to serve simultaneously in an administrative role such as dean, department chair, or director of an instructional program or research unit.

3.8 University Relations must review all endowment terms and gift/pledge agreements before they are finalized with donors. This ensures that all chairs and professorships meet university policy and can be administered according to donor intent.

IV. APPROVAL TO ESTABLISH AND NAME AN ENDOWED CHAIR OR PROFESSORSHIP

4.1 Establishment and naming of an endowed chair or professorship is subject to approval by the President upon recommendation of the Chancellor. University Relations is responsible for coordinating this process.

4.2 A request for the establishment and naming of an endowed chair or professorship can be made once one-third of the total minimum funding required has been received.

4.3 The Senate's Committee on Budget and Interdepartmental Relations reviews chairs and professorships that are pending formal approval. University Relations initiates this review through the Vice Provost for the Faculty. It is in the best interest of good donor relations for this review to occur prior to the formalization of fund terms with the donor.

V. CREATION OF ADDITIONAL CHAIRS AND PROFESSORSHIPS WITH APPRECIATED FUNDS

5.1 When an endowment appreciates to the point that its value is at least twice the prevailing minimum for funding a chair or professorship, and when the department has a need for an additional chair or professorship in the field, the Chancellor may recommend the establishment of a second chair or professorship with the same terms when allowable under the terms of the gift and subject to the approval of the President.

5.2 The concurrence of the donor, if available, must be obtained.

5.3 Endowments intentionally funded by the donor at higher than the campus minimum generally should not be considered for division.

5.4 Endowment divisions should be timed to occur between appointments. If a division occurs during an appointment, the holder should be notified as far in advance as possible.

5.5 Since chairs and professorships can only be established through gifts rather than growth of principal, division should occur in circumstances sufficiently compelling to warrant a recommendation and when doing so is in the best interest of the university.

VI. MONITORING CAMPUS COMPLIANCE

6.1 As the fiduciaries of endowment funds, the UC Regents and the UC Berkeley Foundation are legally responsible for ensuring that endowment payout is expended in accordance with the terms of the gift.

6.2 The campus is responsible for spending endowment payout in the year in which it is distributed, whenever possible. While university guidelines allow for accumulation of up to five years of payout, campus guidelines require that accumulation not exceed two years of payout.

6.3 University Relations is responsible for monitoring payout expenditure and accumulation and working with the campus to ensure compliance with donor intent. University Relations provides periodic reports to the Executive Vice Chancellor and Provost regarding compliance with expenditure and accumulation guidelines.

6.4 University Relations is responsible for making available to the Vice Provost for the Faculty and campus units the tools needed to monitor chair and professorship appointments and vacancies.

6.5 University Relations provides periodic reports to the Executive Vice Chancellor and Provost regarding chair and professorship vacancies.

VII. DONOR AND GIFT STEWARDSHIP

7.1 Holders of chairs and professorships are responsible for stewarding donors, and an annual report forms the cornerstone of such stewardship. New chair and professorship appointees will be advised of their stewardship responsibilities by their school or college development staff. University Relations offers a chairholder stewardship toolkit that includes other guidelines at: <https://advancement.berkeley.edu/sites/eureka/donors/steward/Pages/Steward-Endowed-Chair-Donors.aspx>

7.2 University Relations is responsible for periodic reporting to the Executive Vice Chancellor and Provost regarding the campus's compliance with annual donor reporting requirements.

7.3 University Relations provides annual reporting to donors on the financial status of their chair and professorship endowments.