

POLICY 2.22 – Funding of Academic Chairs, Professorships and Designated Faculty Fellowships

Policy Category: Financial

Effective Date: January 28, 2010

Supersedes: June 24, 2008

PURPOSE AND SCOPE

- 1.00 This policy provides for the establishment of designated Chairs, Professorships and Faculty Fellowships as one of the ways of recognizing academic fields that support the University's scholarly plans and objectives.
- 2.00 The University may at the same time honor a benefactor, a scholar, an individual or a family through a formal naming of a designated appointment. The criteria for naming shall be that the individuals have made an important contribution to the University, society, or to a field of study, or wish to provide the University with a significant benefaction or endowment to support academic plans and objectives.
- 3.00 Establishment of designated Chairs, Professorships or Faculty Fellowships should follow this policy, the general guidelines outlined in [Appendix 1](#) and the approval process outlined in [Appendix 2](#). Initiatives may arise from a variety of sources such as individuals, ethnic or cultural organizations, trade unions, government agencies, corporations, or from the academic unit concerned. From whatever sources, the initiative should advance the University's academic goals and objectives. This constitutes the principal criterion governing the establishment of designated appointments.
- 4.00 In no event should the University's academic autonomy or its standards of scholarship be subverted by the designation or use of these Chairs, Professorships or Faculty Fellowships.

APPOINTMENTS

- 5.00 The establishment of a Chair by the University implies a broad and continuing commitment to the position and to the discipline or Faculty. The holder of a Chair should be of great distinction.
- 6.00 A Chair or Professorship will be attached to a Faculty, School, Department, Centre or Institute of the University. The holder of a Chair or Professorship will receive an academic appointment and be expected to develop the field of interest through teaching and/or research. The University's policies and procedures on advertising and making academic appointments shall be followed for appointment to a Chair or Professorship.
- 7.00 A Faculty Fellowship will be attached to a Faculty, School, Department, Centre or Institute of the University. The holder will be expected to develop the field of interest through teaching and/or research and have a proven record in his/her field of specialization. Selection of the holder of a Faculty Fellowship will be at the discretion of the Dean of the relevant Faculty, Director of the Centre, or by a selection committee as may be stipulated within the terms of the Faculty Fellowship.

POLICY 2.22 – Funding of Academic Chairs, Professorships and Designated Faculty Fellowships

- 8.00 A donor may not be involved in the selection of an individual for a Chair, Professorship or Faculty Fellowship. However, subject to the agreement of the Provost & Vice-President (Academic), a donor or a representative may be named to an Advisory Committee established to assist in the development, support and publicizing of the Chair, Professorship or Faculty Fellowship.
- 9.00 All appointments will be made in accordance with approved University policies and procedures.

Designated Chairs

- 10.00 The academic appointment to an endowed Chair will normally be full-time with tenure at the rank of Professor.
- 11.00 The academic appointment to a term endowed or term non-endowed Chair will normally be full-time, at the rank of Associate Professor or Professor. An individual may be appointed as a Visitor. The Faculty must commit necessary resources for any ongoing commitments made beyond the period of this term financing (e.g., tenure).

Designated Professorships

- 12.00 Appointments to a Professorship will be for a specific term, which may be renewable, at the rank of Assistant Professor, Associate Professor, or Professor. An individual may be appointed as a Visitor. Such appointments need not carry tenure although tenured appointments may be made, where appropriate. The Faculty must commit necessary resources for any ongoing commitments made (e.g., tenure) beyond the period of any term financing.

Designated Faculty Fellowships

- 13.00 The holder of a Faculty Fellowship will normally be a full-time member of the faculty. An individual may be appointed as a Visitor.
- 14.00 The maximum term of appointment to a Faculty Fellowship is five years, and in each case the specific term and any financial or other restrictions on reappointment shall be as set out in the terms of the donor agreement.

FUNDING

- 15.00 External funding for a Chair will normally contribute substantially toward the salary and benefits of the incumbent, and also provide an appropriate measure of scholarly and research support. As the establishment of a Chair creates a continuing commitment by the University, there must also be assurance that funding support for the Chair will also be continuing.
- 16.00 The University will not normally name a new Chair or Professorship unless the majority of the funding will be derived from external sources. In the event that the external donations are insufficient to fully support the Chair or Professorship additional funding may come from the University operating budget through a Faculty, School, Department, Centre or Institute, or from a government agency or other sources. In the case of an existing Chair or Professorship, the gift should support at least 50% of the expected annual expenditures. In the case of a new Chair or Professorship, the gift should contribute substantially toward expected annual expenditures.

POLICY 2.22 – Funding of Academic Chairs, Professorships and Designated Faculty Fellowships

- 17.00 Faculty Fellowships are established as a means of recognizing academic distinction by funding a variety of objectives, including, but not limited to: (a) offsetting or supplementing existing salary; and (b) providing non-salary support for graduate students, research, or travel. The decision to supplement an existing salary shall, in all cases, be at the discretion of the relevant Dean.
- 18.00 The University will not normally name a new or existing Faculty Fellowship, unless the majority of the funding will be derived from external sources. In the event that the external donations are insufficient to fully support the Fellowship, it may be necessary to supplement the donation revenue from other sources as above.
- 19.00 The principal revenue for a designated Chair, Professorship or Fellowship may be in the form of an endowment or funded on a term endowed or term non-endowed.

Endowed Funding for Chairs, Professorships and Fellowships

- 20.00 For donations for Chairs, Professorships and Fellowships accepted as permanent endowments, the amount available for spending each year will be a percentage of the average value of the endowment over the most recent five-year period, in accordance with the University's Investment Payout Policy ([Policy 2.11](#)), as may be amended from time to time. The University seeks to maintain the real value of the endowment in the long run by capitalizing a portion of the investment revenue.

Term Endowed Funding for Chairs, Professorships and Fellowships

- 21.00 For donations for Chairs, Professorships and Fellowships accepted on a Term Endowed basis, the capital and investment revenue will be expended over the stipulated period of time, at the end of which the designated named Chair, Professorship or Fellowship will terminate. Term endowed funds receive a rate of return, as outlined in the Investment Payout Policy ([Policy 2.11](#)), as may be amended from time to time).
- 22.00 Chairs, Professorships and Fellowships may be funded on a Term Endowed basis of not less than five (5) years and up to fifteen (15) years.

Term Non-Endowed Funding for Chairs, Professorships and Fellowships

- 23.00 For donations for Chairs, Professorships and Fellowships accepted on a non-endowed term basis (expendable), the capital and any investment revenue will be expended over the stipulated period of time, at the end of which the designated named Chair, Professorship or Fellowship will terminate. Non-endowed funds receive a rate of return as outlined in the Investment Payout Policy ([Policy 2.11](#)), as may be amended from time to time).
- 24.00 Chairs and Professorships may be funded on a Term Non-Endowed basis of not less than five (5) years and up to fifteen (15) years.
- 25.00 Fellowships may be funded on a Term Non-Endowed basis of one (1) to fifteen (15) years.

ACCEPTANCE OF GIFTS

- 26.00 Before any donation is accepted, or commitment made to a potential donor for a named Chair, Professorship or Faculty Fellowship, the economics of the proposal must be evaluated, particularly if other sources of funds are required. Because of the long-term commitment represented by these gifts, careful assessment of these donations is particularly important and will satisfy the following requirements:

POLICY 2.22 – Funding of Academic Chairs, Professorships and Designated Faculty Fellowships

- 26.01 The Vice-President (External) (or designate), and the head(s) of the academic unit(s) (and, where applicable, the Centre or Institute) involved will engage the donor to determine his/her wishes and discuss the terms of the donation. As stipulated in the Naming Policy (Policy 1.44) namings of chairs, professorships and fellowships should enhance the profile and image of the University. No naming will be approved or (once approved) continued that will call into serious question the public respect of the University.
- 26.02 The President, the Provost & Vice-President (Academic), and the Vice-President (Operations & Finance), or their designates, will review the objectives and funding requirements of each gift prior to presentation to the Senate and the Board of Governors for approval. Space requirements related to the appointment will also be taken into consideration.
- 26.03 The terms of the gift should recognize the need for flexibility in the use of funds if at some future date the basic conditions which led to the donation have altered, or if supplementary funding is no longer available.

REPORTING

- 27.00 The Dean, in collaboration with the holder of a Chair, Professorship or Faculty Fellowship, must provide an annual report on activities and monies spent. Such reports must be filed with the Provost & Vice-President (Academic) and the Vice-President (External), either at the end of each appointment year or in compliance with the terms of the agreement between the donor(s) and the University. The Vice-President (External) will ensure that the donor(s) are provided with copies, if required either under the terms of the donor agreement or at the donor's request.

APPENDIX 1

**GENERAL GUIDELINES FOR REQUIRED LEVEL OF SUPPORT
FOR CHAIRS, PROFESSORSHIPS AND FACULTY FELLOWSHIPS**

The required level of support for a Chair, Professorship or Faculty Fellowship at The University of Western Ontario will vary with the circumstances and the objectives to be achieved. However, as a guideline, the minimum level of support that will be required is as follows:

Chair

Endowed: Minimum of \$3 million

Term Endowed or Term Non-Endowed: Annual minimum funding equivalent to the amount available for spending on a \$3 million endowed fund (original capital value), in accordance with the Investment Payout Policy (Policy 2.11, as may be amended from time to time).

Professorship

Endowed: Minimum of \$1,500,000 to \$2,999,999

Term Endowed or Term Non-Endowed: Annual minimum funding equivalent to the amount available for spending on a \$1.5 million to \$2,999,999 endowed fund (original capital value), in accordance with the Investment Payout Policy (Policy 2.11, as may be amended from time to time).

Fellowship

Endowed: Minimum of \$250,000 to \$1,499,999

Term Endowed or Term Non-Endowed: Annual minimum funding equivalent to the amount available for spending on a \$250,000 to \$1,499,999 endowed fund (original capital value), in accordance with the Investment Payout Policy (Policy 2.11, as may be amended from time to time).

The above minimum levels of support are subject to periodic review and may be amended from time to time. Amended minimum levels of support are generally applicable to the establishment of new Chairs, Professorships and Fellowships following the approval of such changes and do not apply to previously funded positions.

In accordance with a Board Resolution dated September 25, 2007, new Chairs, Professorships and Faculty Fellowships that are part of the established Campaign for Leadership of the Richard Ivey School of Business are exempt from the above levels. Minimum annual required levels of support and minimum endowment levels prior to September 25, 2007 will apply through to April 30, 2013. After this date, the current minimum levels of required support will apply to Chairs, Professorships and Faculty Fellowships established at the Richard Ivey School of Business.

APPENDIX 2

Approval Process for Academic Chairs, Professorships and Faculty Fellowships

The establishment of a Chair, Professorship or Faculty Fellowship requires approval of both the Senate and the Board of Governors. There are two processes that can be followed: one open and one confidential. The confidential process is used in cases where there is a desire on the part of the university and the donor to have a joint public announcement of the gift at a particular time after approval has been obtained from both governing parties.

Open Process

- Proposal submitted to Senate Committee on University Planning for recommendation to Senate
- Proposal approved by Senate
- Proposal submitted to Property and Finance Committee for approval on behalf of the Board of Governors on the recommendation of Senate
- Approval reported to the Board of Governors at its next regular meeting in open session

Confidential Process

- Proposal submitted to Senate Committee on University Planning for recommendation to the Board through the President and Vice-Chancellor
- Proposal submitted to the Property and Finance Committee for approval on behalf of the Board of Governors on the recommendation of the President and Vice-Chancellor
- Approval reported to the Board of Governors at its next regular meeting in closed session
- Annual report to Senate on positions approved through the confidential process