

**1. Title**

Endowed Academic Positions

**2. Rule and Regulation**

Sec. 1 Purpose of Endowed Academic Positions. Endowed Academic Positions are intended to promote excellence among individual institutions within the U. T. System. Faculty holders of Endowed Academic Positions shall have had a distinguished record of excellence (chairs/professorships) or demonstrated accomplishment or future promise in the intellectual field (fellowships). Holders of Endowed Academic Positions shall contribute substantially to the mission and goals of individual institutions. Holders of Endowed Academic Positions are stewards of the endowments and are subject to periodic evaluation to ensure satisfactory performance.

Sec. 2 Approval Prior to Announcement. Negotiations and fund raising for an endowment are permitted prior to its formal approval and establishment by the Board or its designee(s). However, an endowment may not be announced as having been established prior to its establishment by the Board or its designee(s). All initial or new holder appointments to a chair or professorship require prior approval by the Chancellor. Under special circumstances and when authorized by the Chancellor, an institution may grant an endowed professorship to an outstanding faculty member prior to achieving full professor status. The Chancellor may delegate authority for approval to the appropriate institution president or Executive Vice Chancellor.

Sec. 3 Reporting. Each institution should report annually to the Chancellor on appointments to Endowed Academic Positions.

Sec. 4 Categories and Minimum Funding Levels. The six categories of endowed and named academic positions and the minimum funding levels to establish the positions are: Distinguished University Chair (\$2 million), Distinguished Chair (\$1 million), Chair (\$500,000), Distinguished Professorship (\$250,000), Professorship (\$100,000), and Fellowship (\$50,000). Individual institutions are not required to utilize all categories of Endowed Academic Positions and may, with advance administrative approval and inclusion in the institutional *Handbook of Operating Procedures*, limit institutional endowment activity to

those position categories which best fit the institution's mission and goals.

- 4.1 Whether an endowment has attained the minimum funding level necessary to establish a particular academic position will be determined by the total value of gifts from donors and transfers of funds valued as of the gift date or date of transfer. Funding levels may not be determined by the amount of net sale proceeds received from a non-cash gift or by the current market value of the investments held in an endowment.
- 4.2 With the specific approval of the Board of Regents, an Endowed Academic Position may be established without the above minimum funding levels. Such agreements must contain the provisions outlined in Sections 4.3 and 4.4.
- 4.3 If an external entity requests that the Board of Regents establish an Endowed Academic Position based upon the entity's agreement to hold and manage an endowment fund supporting the position, the entity must irrevocably agree to dedicate the endowment to the support of the academic position in perpetuity or for a specified term of years. The entity must agree to adhere to Board policies regarding minimum funding levels for an endowment. The entity must agree to employ annual payout policies that are consistent with the goal of distributing from the endowment, or otherwise contributing to the institution, an annual payout amount substantially similar to that distributed from a comparable Board-managed endowment. The entity must agree that funds distributed from the endowment shall be paid to the institution for further expenditure in accordance with Board policies.
- 4.4 If an external entity requests that the Board of Regents establish an Endowed Academic Position without the funding of an endowment to support the position, the entity must irrevocably agree to contribute annually, either in perpetuity or for a specified term of years, an amount substantially similar to that distributed from a Board-managed endowment in support of a comparable position. The entity must agree that the funds will be contributed for further expenditure in accordance with

Board policies regarding the particular category of academic position being established.

Sec. 5 Distributions for Endowed Chairs and Professorships. The institution will set the salary of the holder at a level commensurate with his or her record, experience, and position in the faculty. Subject to donor criteria, distributions from the endowment may be used for a reasonable amount of salary support as determined by institutional policy, for salary supplementation, and for other professional support of the holder of the Endowed Chair/Professorship, including assistance in the holder's research program. An institution may, with advance administrative approval and inclusion in the institutional *Handbook of Operating Procedures*, utilize a minimal portion of the distribution to support costs associated with administering the endowment (only if not already receiving endowment administration funding from other sources) and/or for strategic priorities, according to the purpose of the endowment. Chairs/professorships are intended to have holders. However, unfilled chairs/professorships may be used to support faculty fellows, according to the purpose of the endowment. Faculty may also be appointed as a fellow supported by funds available from a filled Endowed Chair/Professorship.

Sec. 6 Distributions for Endowed Fellowships. Distributions from an endowment may be used for reasonable salary support, salary supplementation, and/or other professional support of the holder of the fellowship, who may be a qualified person of any academic rank irrespective of tenure status. The Endowed Fellowship may also be used to provide temporary support (not to exceed one academic year) of:

- distinguished scholars who are in temporary residence at the institution while participating in planned academic programs;
- visiting scholars who are in temporary residence at the institution for special academic programs or purposes;
- institution faculty who have made unique contributions to academic life or the knowledge in their academic discipline; and
- institution faculty of any academic rank, irrespective of tenure status, who have been selected for teaching excellence.

- Sec. 7 Evaluation of Holders of All Endowed Academic Positions, including Fellowships. Individual institutions shall, with advance administrative approval and inclusion in the institutional *Handbook of Operating Procedures*, establish procedures for the review of holders of Endowed Academic Positions. Such review shall normally occur in conjunction with existing performance appraisal processes, such as annual evaluation (for fellowships) and comprehensive periodic review (for chairs/professorships).
- Sec. 8 Oversight of Endowments Supporting Faculty Positions. Each president is responsible for maintaining oversight of endowments established to support faculty positions, including assignment of holders and use of distributions, but may delegate this authority.

### **3. Definitions**

Endowed Academic Position – a Distinguished University Chair, Distinguished Chair, Chair, Distinguished Professorship, Professorship, or Fellowship.

Endowed Chair/Professorship – a faculty position supported by an endowment from which distributions are dedicated to reasonable salary support (as determined by institutional policy), salary supplementation, research support, and/or other professional support of a faculty member, subject to donor criteria. The holder will normally be a faculty member who has had a distinguished career. Except in extraordinary circumstances, the holder will be named to an Endowed Chair/Professorship for a specified length of time. The chair/professorship may be renewable or non-renewable.

Endowed Fellowship – a faculty position supported by an endowment from which distributions are dedicated to reasonable salary support (as determined by institutional policy), salary supplementation, research support, and/or other professional support of a faculty member of any academic rank, subject to donor criteria. The holder will normally be a faculty member who exhibits demonstrated accomplishment or future promise in the intellectual field. The Endowed Fellowship will be awarded for a specified length of time. The fellowship may be renewable or non-renewable.

**4. Relevant Federal and State Statutes**

None

**5. Relevant System Policies, Procedures, and Forms**

None

**6. Who Should Know**

Administrators  
Chief Business Officers  
Development Officers

**7. System Administration Office(s) Responsible for Rule**

Office of Academic Affairs  
Office of Health Affairs  
Office of External Relations, Communications and Advancement Services  
Office of General Counsel

**8. Dates Approved or Amended**

November 14, 2019  
Editorial amendment to Section 2.2 made on September 25, 2018  
Editorial amendment to Section 2.2 made on July 13, 2015  
February 9, 2012  
December 10, 2004

**9. Contact Information**

Questions or comments regarding this Rule should be directed to:

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