University Policies and Procedures

02-05.00 – POLICY ON NAMED CHAIRS AND PROFESSORSHIPS

I. Policy Statement:

Named faculty chairs and professorships are established as a means to honor and advance the work of faculty pursuing scholarly or creative activity in a particular field. This policy sets forth the principles and standards that shall guide the establishment and activation of such named faculty chairs and professorships at Towson University (the “University”).

II. Definitions:

A. Named Chair or Professorship: A non-administrative position established through the generous contributions of a donor or donors. Income derived from charitable gifts or an endowment supports the work of the named chair or professorship, generally intended to provide special recognition to and financial support for ongoing and new work conducted by the faculty member to whom the title is awarded. Named Chairs or Professorships may exist in the form of endowed chairs or professorships, which exist and are funded in perpetuity, or term chairs or professorships, which exist and are funded for a limited duration as defined in a Memorandum of Understanding (MOU) between the donor, Towson University, and the Towson University Foundation.

B. Payout Funds: Spendable Income from an endowment or gift revenue from a term chair or professorship that may be used for various purposes related to the teaching, research, and/or public service activities of a faculty member with a Named Chair or Professorship during the specific term of award. Payout Funds may be used for part of the base salary, or for a salary supplement, subject to approval by the Provost, and to the extent permitted by applicable law and policy. In addition, they may be used for graduate assistant stipends, administrative assistance, travel expenses, research support, and for such other purposes as may be reasonably related to the purpose of the endowment. Following consultation with the Provost or a designee and consistent with the Memorandum of Understanding, the President may approve a proposal from the current holder of a Named Chair or Professorship to allocate a portion of the Payout Funds for support of the academic endeavors of the department or campus for a specific period.

III. Responsible Executive and Office:

Responsible Executive: Provost and Executive Vice President for Academic and Student Affairs
Responsible Offices: Office of the Provost
Division of University Advancement

IV. Entities Affected by this Policy: Faculty, department chairpersons, college deans, and University Advancement staff.

V. General Principles:

A. Establishment of a Named Chair or Professorship

Upon the agreement of a donor or donors to fund a Named Chair or Professorship, University Advancement will work in consultation with the donor(s) to execute a Memorandum of Understanding (MOU) which will specify all pertinent details of the gift, including the name of the fund.

B. Qualifications, Term of Title, Recruitment Efforts and Selection Criteria

1. The holder of a Named Chair or Professorship must normally be a tenured, full-time member of the University faculty at the rank of Professor, but a Named Chair or Professorship may also be held by a non-tenured clinical faculty member, or an especially promising junior faculty member, if stipulated by the MOU. Candidates for Named Chairs and Professorships must have a proven record of scholarly productivity and instructional excellence, as well as a record of, or potential for, academic leadership that will contribute to the instruction, curricular innovation, and/or increased research and scholarship productivity of the College and University.

2. The holder of an appointment to a Named Chair or Professorship is expected to carry a teaching responsibility. The appointee shall contribute to the scholarly and creative activity of the department in which the holder resides and, through seminars and/or other contact with students, add to the enrichment of the academic life of the TU campus as a whole. Faculty members who hold Named Chairs or Professorships must demonstrate new and continued achievements in instruction, curricular innovation, research and/or creative pursuits, or service. This expectation will be part of a periodic review leading to reappointment to a Named Chair or Professorship.

3. The term of a Named Chair or Professorship will be determined in the MOU. Periodic review and continuation of the award will occur on intervals of three to five years as determined by the Provost and the Dean of the appropriate school of college or as determined in the MOU. A Named Chair or Professorship held by a junior faculty member should not exceed five years total, except under exceptional circumstances.
4. The award of a Named Chair or Professorship shall be made by the President upon recommendation of the Provost and the Dean of the appropriate school or college. The recommendation shall include a statement of the qualifications of the candidate and a proposed term. In all regards, the recommendation shall be consistent with the purposes of the Named Chair or Professorship as detailed in the MOU. In the event the award of Named Chair or Professorship is to coincide with an offer of appointment to the faculty member, the appointment shall have followed University faculty search procedures.

5. Each holder of a Named Chair or Professorship shall annually submit to the department chair and dean a brief narrative of the past year's activities, including explanation of expenditures of the spendable income or gift revenue, along with a budget recommendation for use of the endowment income for the following year. Information in this report will be submitted to University Advancement and will be incorporated into an annual report provided to the donor or the donor's representatives.

6. Each dean, with the assistance of the respective department chair, if applicable, shall provide a written summary of annual efforts to recruit a Named Chair or Professor. This report shall be submitted to University Advancement and will be used to communicate with the donor(s) for the purpose of informing donors of Towson University's recruitment efforts and progress.

7. An appointment to a Named Chair or Professorship can be terminated due to failure to fulfill the expectations of the award as outlined in the MOU, failure to abide by University policies and procedures, or if it is determined to be in the best interest of the University. In these circumstances, additional sanctions or actions may be imposed in alignment with the Towson University Policy on Appointment, Rank and Tenure of Faculty (TU 02-01.00).

C. Minimum Funding Levels and Sources of Funds

1. Funds to establish a Named Chair or Professorship are to be provided by gift of an endowment specific to the proposal, or from an identified University endowment fund appropriate for this purpose.

   a. The following minimum endowments for endowed chairs and professorships are required: Chair, $1,500,000; Professorship, $750,000.
b. The President and the VP for the Division of University Advancement shall review this policy every five years to ensure that the minimum endowment required for newly established endowed chairs and professorships is appropriate.

2. Term chairs and professorships shall be supported by an expendable grant of not less than an amount equivalent to the current annual endowment spending rate for an endowed chair or professorship as determined by the Towson University Foundation Board of Directors. The funding commitment for a term chair or professorship should be for a minimum term of five years.

3. A Named Chair or Professorship can be funded from undesignated endowment funds, with approval of the TU Foundation Board of Directors under the following conditions: the requisite portion of the spendable income from the endowment should be designated to support the payout funds for a chair or professorship. The spendable income will be documented and budgeted for the full term of the chair or professorship assignment.

D. Activation and Funding Commitments

1. Before a faculty member may be appointed to an endowed chair or professorship, there must exist a legally irrevocable commitment (e.g., a charitable trust, a charitable gift annuity, an estate note) from a donor to provide the full minimum amount of the funds set forth above to establish the endowment. An appointment may be made to the Named Chair or Professorship when:

   a. The donor has agreed to provide the full amount of the endowment within a five-year period and the administrative unit in which the chair or professorship is located and/or another source has agreed to provide funds to the holder of the Named Chair or Professorship equivalent to the endowment payout until such time that the endowment level is sufficient to provide those funds; or

   b. The donor has provided at least one half of the required endowment funding with a written irrevocable commitment to provide the remaining funding according to a specific and accepted timetable.

2. A faculty member may be appointed to a term chair or a term professorship when the donor has made the first payment towards an irrevocable commitment to provide not less than an amount equivalent to the current annual endowment spending rate for an endowed chair or professorship as determined by the Towson University Foundation
Board of Directors. The funding commitment for a term chair or professorship should be for a minimum term of five years.

E. Changed Conditions and Alternate Use of Endowment

Evolution in the academic objectives and organization and in the research, teaching, and service emphases are part of the normal life of a university. The scope of permissible activity under Regents’ policy and applicable law is also characterized by occasional change. For this reason, it may rarely occur that the Payout Funds of an endowment should best be used to support a different area of research, teaching, or service than originally intended or that administrative restrictions contained in a MOU reasonably need to be amended. The Provost should therefore ensure that absent unusual circumstances, the MOU contains the donor’s recognition and permission for alternate use of the endowment and Spendable Income. The Office of the General Counsel, in conjunction with the Division of University Advancement and the TU Foundation, will develop appropriate language to accomplish this purpose.

F. Unawarded Chairs and Professorships

1. The President (or a designee) shall review Named Chairs or Professorships that remain vacant for a period of three consecutive years to ensure that the University is meeting its obligation to fulfill the terms of the gift, including the expenditure of spendable income or gift revenues in support of the donor’s intent. The following guidelines shall be observed:

   a. All spendable income shall be spent in the year in which it is made available. Unspent income is not to be carried forward except in very specific circumstances approved in advance by the TU Foundation.

   b. In the event an established, fully-funded Named Chair or Professorship has remained vacant for three years or more, the Provost shall ascertain the reason and take appropriate corrective action consistent with the terms of the MOU or the administrative allocation. Such action may include:

      i. Implementing a new expenditure plan designed to fill the Named Chair or Professorship or to utilize the Payout Funds fully;

      ii. With written approval of the donor(s), unless circumstances prevent such approval, authorization of the President to reallocate the endowment’s Spendable Income to an alternative purpose consistent with the MOU;
iii. In consultation with the donor(s), unless circumstances prevent such consultation, re-designating the purpose of the Named Chair or Professorship endowment in a manner authorized by the President and prescribed by law.

G. Discontinuation of a Named Chair or Professorship

1. The activation and continuation of a Named Chair or Professorship is contingent on completion of funding. When the endowment has not reached full funding, either by the end of the specified pledge period or at the maturity of a deferred gift or bequest, it shall be reviewed by the President and University Advancement. The review will include alternative uses for the spendable income established by the MOU and discussions with the donor.

2. Subject to the donor’s approval, the President may retire a Named Chair or Professorship when:

   a. The subject area ceases to be consistent with the University’s mission and the academic plan of the campus or any restrictions in the MOU may no longer, in the University’s opinion, be legally applied by it; or

   b. It has remained vacant for a period of three years and the President, after consultation with the respective department chair, dean and the Provost, determines there is no reasonable likelihood of making the award.

3. When a Named Chair or Professorship is retired, the spendable income shall be reallocated to an alternative purpose that may be stated in the MOU or as may be subsequently specified by the donor in consultation with the President and University Advancement. If the donor is deceased and has not specified an alternative purpose, the spendable income shall be reallocated to such purposes as may be permitted by law. In such instance, attention shall be given to using the Payout Funds in a manner most closely approximating the donor’s objectives, as stated in the MOU.

H. Emeritus Status for Endowed Chairs and Professorships

Once formal designation as Professor Emeritus or Faculty Emeritus is granted by the Provost and the University Senate, per the procedure outlined in the Towson University Policy on Appointment, Rank and Tenure of Faculty (TU 02-01.00), faculty members who relinquish an endowed chair or professorship upon retirement are entitled to continue using their named appointment indefinitely by
using an Emeritus title matching the naming convention of the Named Chair or Professorship but are not eligible to access funds generated by the endowment. Faculty members who relinquish a term chair or professorship upon retirement are not entitled to continue using their named appointment.

**Related Policies:**

TU Policy 02-01.00, Towson University Policy on the Appointment, Rank and Tenure of Faculty

USM Policy II-1.21, Policy on Compensation for Faculty

USM Policy IX-6.00, Policy on Use of Foundation and Alumni Association Funds to Provide Economic Benefits to USM Employees

**Approval Date:**

**Effective Date:**

**Acknowledged by:** President’s Council

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Kim Schatzel, Ph.D.     Date

President