

# CHAIR/PROFESSORSHIP FUNDING POLICIES

Discussed and adopted  
at Leadership Council, 11 April 2012

The campus-wide policies focus on two key items: (a) funding levels; and (b) use of funds.

The policies followed the recommendations made to Provost Paul DeLuca by the Working Group on Chairs/Professorships Funding Guidelines: Michael Bernard-Donals, Robert Golden, Paul Peercy, Karl Scholz, Gary Sandefur (Chair), Steve Stern, Julie Underwood, and from the University of Wisconsin Foundation, Mike Knetter and Jennifer McFarland.

## FUNDING LEVELS

	<b>UWF proposed minimum levels ENDOWED</b>	Option for term awards EXPENDABLE
<b>Deanship</b>	<b>Negotiable</b>	n/a
<b>Distinguished Chair</b>	<b>\$3M</b>	\$150k for 5 years (\$750k total)
<b>Chair</b>	<b>\$2M</b>	\$100k for 5 years (\$500k total)
<b>Professorship</b>	<b>\$1M</b>	\$50k for 5 years (\$250k total)
<b>Faculty Fellow</b>	<b>\$250k</b>	\$15k for 5 years (\$75k total)

Expendable awards for a five-year period are a reasonable option for some donors who would not be capable of making a gift that would create an endowment.

## USE OF FUNDS

Campus-wide policy on use of funds is as follows:

For new professorships or chairs with minimum endowments set at the Professorship level or higher, the campus expectation is that normally, a minimum of 50% of the expected annual income generated by the professorship or chair will provide compensation support, and 50-66.7% may be considered within the normal expected range for compensation support. The portion not allocated to compensation support may be used to provide a non-lapsing annual flexible fund allocation to help defray the professor's approved research and professional expenses.

Below is a table that simulates the consequences of using 50% and 66.7% for compensation support. Note that the policy allows exceeding the 66.7% level for compensation.

**Use of Funds within Expected 50-66.7% Compensation Support Range**

Type of Chair or Professorship	Expected Annual Income	Compensation Support @ 50%*	Compensation Support @ 66.7%*	Balance available for "flex fund" use
Distinguished Chair (\$3M minimum)	150K	75K	100K	50-75K
Chair (\$2M minimum)	100K	50K	67K	33-50K
Professorship (\$1M minimum)	50K	25K	33K	17-25K

\*Note that "compensation support" refers both to fringe benefit and salary costs. *At a fringe rate of 50%, the salary component would be 66.7% of the compensation figure.*