



TO: Academic Board

SPONSOR: Edith Hillan, Vice Provost Faculty & Academic Life

DATE: Monday May 10, 2010

AGENDA ITEM 7:

1. Item identification:

Proposed Policy on Endowed and Limited Term Chairs, Professorships, Distinguished Scholars and Program Initiatives - Revisions to the Policy on Endowed Chairs, Professorships, Lectureships and Programs

2. Issue brief: Background (including previous action)/ Discussion

The Policy was last amended by Governing Council in 1997. A review of the Policy by the Division of University Advancement and the Office of the Vice Provost Faculty and Academic Life indicated areas that were inconsistent with both the current appointment processes and the terminology in use to refer to appointments, programs and program initiatives. Proposed changes to the Policy include:-

- The appointment and review process for Endowed or Limited Term Chairs and Professorships.
- Renaming of 'Lectureships' to 'Distinguished Scholars' in order to prevent confusion with teaching stream appointments (lecturer/senior lecturer).
- The appointment and review process for Distinguished Scholars.
- Renaming of 'Programs' to 'Program Initiatives' to avoid confusion with programs of study which lead to degrees and to more accurately reflect the range of initiatives.
- Clarification of the processes of disestablishment for Distinguished Scholars (formerly Lectureships) and Program Initiatives (formerly Programs). Please note that approvals for new programs or major changes to existing programs will remain with the Committee on Academic Policy and Programs and Academic Board.
- Establishment of limited term chairs, professorships, distinguished scholars and program initiatives.
- The proposed policy has no retroactive application unless a previous gift becomes sufficient to upgrade (e.g. a Professorship to an Endowed Chair).

Finally, the existing Policy is also the only University policy which sets out explicitly the minimum funding amounts required for the establishment of the listed academic initiatives. The minimum funding amounts set out in the current Policy are out of date and well below the amounts required and requested to support chairs and professorships. Thus, the specific minimum thresholds are removed from the proposed Policy and instead will be set periodically by the University administration based on the then current financial needs and advancement realities as is the case with all other academic priorities.

The existing and revised policies are attached.

Consultations have included:-

Office of the Vice President and Provost
Office of the Vice President Advancement
Principals and Deans Group (May 6th).

RECOMMENDATION:

It is recommended that the Academic Board recommend to the Governing Council

THAT the proposed Policy on Endowed and Limited Term Chairs, Professorships, Distinguished Scholars and Program Initiatives be approved, effective immediately, replacing the Policy on Endowed Chairs, Professorships, Lectureships and Programs which was approved by the Governing Council on February 10, 1997.

Proposed Policy on Endowed and Limited Term Chairs, Professorships, Distinguished Scholars and Program Initiatives

This policy guides the establishment and designation of Endowed and Limited Term Chairs, Professorships, Distinguished Scholars, and Program Initiatives as a means of recognising and promoting academic programs and fields of study which are consistent with the University's scholarly plans, objectives, and mission.

Proposals may arise from a variety of sources: individual benefactors, ethnic or cultural organizations, trade unions, government agencies, corporations, academic units themselves, or from unrestricted funds available to the University. From whatever sources the principal criterion governing the establishment of endowed or limited term appointments and program initiatives is to advance the University's academic goals and objectives.

A Chair, Professorship or Distinguished Scholar will from its inception be attached to a faculty, college, school, centre or institute of the University. The holder will receive an academic appointment and be expected to develop the field of interest through both teaching and, in the case of Chairs and Professorships, research. Research advisory committees may be formed at the discretion of the respective division head. The *Policy and Procedures on Academic Appointments* or the *Policy for Clinical Faculty* shall be followed for appointment to a Chair, Professorship or Distinguished Scholar and a performance review will be undertaken upon the completion of each term of appointment.

The University may wish to honour a corporate or individual benefactor, a prominent scholar or individual(s) through a formal naming of an endowed or limited term appointment or program initiative. In such cases, the University's *Policy on Naming* shall apply.

1. CHAIRS

The establishment of a Chair by the University implies a commitment to the position and the discipline or sub-discipline. The holder of the Chair should be of great distinction, and, where appropriate, may be selected from among the senior members of a division. Although it may not always be appropriate to have an open internal competition, nevertheless, the honour of occupying a Chair should be conferred after a transparent process.

1.1 Appointment

The academic appointment will be full time, normally at the rank of full professor, and carry tenure except in instances where one condition of the Chair's

establishment is that all occupants of the Chair hold a concomitant appointment, for example, in a hospital or elsewhere at the discretion of the Vice President and Provost.

The appointment as Chair is normally for a fixed term of five years renewable once, contingent on successful performance review. All appointments and renewals require the approval of the Vice President and Provost (or designate).

1.2 Funding

Funding from all sources, within the division, must be sufficient to cover the salary and benefits of the incumbent, and an appropriate measure of unrestricted support for scholarship and research.

1.3 Categories of Chairs

There shall be three categories of allowable Chairs.

1.3.1 Endowed Chairs

The establishment of an Endowed Chair requires a commitment to continuing full funding. An endowment for a Chair may be provided by a perpetual gift from a source external to the University and restricted by the terms of the donation or bequest, or the Governing Council of the University may establish an endowment for a Chair from any unrestricted funds available to the University. In either case, the terms of the endowment thus designated are determined by the Governing Council. A Chair may be established from one type of endowment or the other, or a combination of both. The University of Toronto's *Policy for the Preservation of Capital of Endowment Funds* shall apply to the endowment however it is created.

1.3.2 Limited Term Chairs

A Chair may be established for a limited term period (normally five years) from an expendable - as opposed to endowed - gift. The gift must support the Chair for at least five years including salary and benefits and/or support of unrestricted research. The balance, if any, of the annual cost of the appointment must be met by the respective academic division or department, excluding revenue from research grants and contracts.

The limited term Chair may be converted to an Endowed Chair at any time within the specified period without further review or approval, provided that the necessary funding is realised.

1.3.3 Joint Chairs

An endowed or limited term Chair may be established jointly by the University of Toronto and an institution affiliated or federated with the University, including teaching hospitals. For designated joint Chairs, the endowment or the expendable funding may be established on terms jointly agreed on by both parties. For joint endowed Chairs, the endowment may be held either by the University or by the affiliated or federated institution. Or there may be two endowments, one held by the University and one held by the affiliated or federated institution, both supporting the same chair. If some or all of the endowment is held outside the University, one of two conditions must be met:

- i. The University of Toronto's *Policy for the Preservation of Capital of Endowment Funds* must be followed to preserve the real value of the endowment, or
- ii. The affiliated or federated institution must formally commit to provide in perpetuity the levels of funding required by this policy.

In either case, if the endowment or the expendable gift is held by the affiliated or federated institutions, that institution shall provide a tax receipt for charitable purposes.

1.4 Disestablishment

The disestablishment of Chairs shall either be provided for at the time of establishment, or by mutual agreement of the University and the donor following the expiration of the term of the appointee.

2. PROFESSORSHIPS

The holder of a Professorship should be of distinction, and where appropriate may be selected from amongst the professoriate of a division. A Professorship may be associated with a limited term appointment.

2.1. Appointment

The academic appointment will be full time, normally at the rank of associate professor.

The appointment to a Professorship is normally for a fixed term of three years renewable once, contingent on a successful performance review. All appointments and renewals require the approval of the Vice President and Provost (or designate).

2.2. Funding

Funding from all sources, within the division, must be sufficient to cover the salary and benefits of the incumbent, and an appropriate measure of unrestricted support for scholarship and research. The commitment may be for a limited term. Support for Professorships may come in a number of forms but excludes revenue from research grants and contracts. External support may be for a fixed period of time or may be set up on a continuing or endowed basis.

2.3. Categories of Professorships

There shall be two categories of allowable Professorships.

2.3.1. Endowed Professorships

A Professorship may be established from the same range of funding sources as a Chair. The balance of the annual cost of the appointment, if any, must be met by the respective academic division or department. An Endowed Professorship may be converted to an Endowed Chair at any time within the specified period without further review or approval, provided that the necessary funding is realised.

2.3.2 Limited Term Professorship

A Professorship may be established from an expendable - as opposed to endowed - gift. The gift must support the Professorship for at least three years including salary and benefits and/or support of unrestricted research. The balance, if any, of the annual cost of the appointment must be met by the respective academic division or department, excluding revenue from research grants and contracts. A Limited Term Professorship may be converted to an Endowed Professorship at any time within the specified period without further review or approval, provided that the necessary funding is realised.

2.4. Disestablishment

The disestablishment of Professorships shall either be provided for at the time of establishment, or by mutual agreement of the University and the donor following the expiration of the term of the appointee.

3. DISTINGUISHED SCHOLARS

Distinguished Scholar appointments may be established to assist with the renewal of established fields or in developing new areas, or where a visitor from outside the University is desired.

3.1. Appointment

The academic appointment will be full time and will be made on a contractually limited basis.

The appointment as Distinguished Scholar is normally for a fixed term of one year renewable once, contingent on successful performance review. All appointments and renewals require the approval of the Vice President and Provost (or designate).

3.2. Funding

Funding from within the division, must be sufficient to cover the salary and benefits of the appointee for the term of the appointment. A combination of sources of funding may be used to establish a Distinguished Scholar and provide support for the activities associated with it.

3.3. Disestablishment

The disestablishment of Distinguished Scholars shall either be provided for at the time of establishment, or by mutual agreement of the University and the donor following the expiration of the term of the appointee.

4. PROGRAM INITIATIVES

A program of study at the University leads to a degree. Programs may have unique or special characteristics which the University wishes to recognize through appropriate initiatives. Initiatives may include appointments, conferences, equipment, supplies, other associated expenses, or co-curricular support for students.

4.1. Funding

Funding from the division shall be sufficient to provide for the costs of the initiatives.

- i. Existing program initiatives may be endowed provided an endowment or comparable source of funding is established to support the direct cost of the program.
- ii. New endowed program initiatives may be established provided an endowment or comparable source of funding is created to support the annual direct and indirect costs of the initiatives. The balance of the annual cost of the new initiatives must be met by the respective academic division or department, except on the express approval of the Vice President and Provost, normally through the budget process.
- iii. Program initiatives may be established for a limited term period from an expendable - as opposed to endowed- gift. The gift must meet the annual direct and indirect costs of the initiatives. The balance, if any, of the annual costs of the initiatives must be met by the respective academic division or department.

4.2. Disestablishment

The disestablishment of program initiatives shall be provided for at the time of the establishment, by mutual agreement of the University and the donor following the expiration of the funding or at the discretion of the Vice President and Provost.

5. MINIMUM FUNDING REQUIREMENTS

The University shall from time to time, normally for a minimum three-year period or for the period of a campaign, determine a minimum amount required to be contributed for any and all newly established Chairs, Professorships, Distinguished Scholars and Program Initiatives. Minimum amounts will be established for both endowed and limited term positions and programs. The minimum amounts will apply equally to joint positions and programs established with affiliated or federated institutions. The minimum amounts shall be based on the requirements of this policy, and on the average salary, benefits and research support required for the incumbents. If that amount is not sufficient to fund a particular appointment or program under the terms of this policy, the recipient division must submit a plan for meeting the balance of the cost from funds already available to it. Ultimately, the recipient division carries the overall funding responsibility for the appointment or program. Any shortfall from insufficient endowment payout would be covered by the recipient division. In cases where an additional position will be created outside a division's complement plan, the standard value may be increased in negotiation with the prospective donor.

6. RETROACTIVITY

The University holds a number of Chairs, Professorships and Programs that were established before there was a *Policy on Chairs, Professorships, Distinguished Scholars, and Program Initiatives*, or a *Policy on Naming*. The terms of those arrangements were duly approved and coincide with the terms of the various bequests and gifts that gave rise to them. This policy shall apply to all new initiatives. It has no retroactive application. When, however, a previous gift has become sufficient to upgrade, for example, a Professorship to a Chair, it will be done in accordance with the terms of this policy.

7. ADMINISTRATION OF THE POLICY

The President, on the recommendations of the Vice-President and Provost, may approve the establishment of endowed chairs, professorships, distinguished scholars, and program initiatives which are in compliance with the policy from any source of funds allowed by the policy. At the end of each academic year, the President will report to the Planning and Budget Committee on all of the chairs, professorships, distinguished scholars, and program initiatives that have been thus established. The delegation of authority does not extend to the establishment of major program initiatives which otherwise require academic approval.

Proposals for endowed chairs, professorships, distinguished scholars, and program initiatives which depart from the policy shall be brought forward for review and approval by the Governing Council through the Academic Board. In these cases the President, on recommendation of the respective Principal, Dean, or Director, will propose the establishment of a Chair, Professorship or Distinguished Scholar to the Vice President and Provost. The establishment of Program Initiatives shall require the necessary senior divisional administrative approval and final approval of the Vice President and Provost. Major Program Initiatives shall require the final approval of Academic Board and Governing Council.

Funding shall be sufficient to provide for the costs of the Chair, Professorship, Distinguished Scholars, or Program Initiatives. Funding for the costs of Chairs, Professorships, Distinguished Scholars, or Program Initiatives may, in addition to endowments, be supplemented from the University's operating budget, government agencies, other gifts, or combinations of all three. In the case of Chairs, supplementary funding will be designated as a restricted fund by the Governing Council to create a larger endowment unless the Division provides the required budget supplement from its operating budget. The sum and kind of resources required shall be determined by the head of the division and the Vice-President and Provost.