

## CSE Endowed Chair Professorships FAQs

*Last Revised: 7/20/22*

### **1. Where can I find the duration of my Endowed Chair Professorship?**

The length of your Endowed Chair Professorship is stated in the Appointment Resolution of your Endowed Chair.

### **2. How do Endowments work in general? Who sets the policy regarding Endowments?**

CWRU Endowments are managed by the [Office of Investments](#) and [Endowment Funds Management](#). These departments are part of the [Finance Division](#), led by John Sideras, Senior Vice President for Finance and CFO.

The CWRU Budget and Endowment Offices authorize the amount of income that can be spent on each Endowment in a Fiscal Year. This annual “spending allocation” amount is a percentage of the total market value of the endowment, and is established in accordance with CWRU’s “Spending Policy,” as set by the Board of Trustees.

More information about Endowments is available on the CWRU Endowment Management website: <https://case.edu/endowment/index.html> including their Glossary of Terms <https://case.edu/endowment/glossary.html>

### **3. Is this a salary increase?**

Endowed Chair Professorships do not increase the recipient’s salary. Funds from the endowment are used to relieve CSE’s operating budget of a portion of the recipient’s salary cost.

**4. How is the discretionary dollar amount of my Endowed Chair determined?**

The CSE Policy on the Use of Income Generated from Endowed Professorship Accounts, based on the CSE Bylaws, specifies that the discretionary amount is based on the annual endowment income allocation as follows:

<b>Annual Endowment Fund Income</b>	<b>Annual Discretionary Amount</b>
< \$50,000	\$5,000
\$50,000 - \$75,000	\$10,000
\$76,000-\$100,000	\$15,000
\$101,000- \$125,000	\$20,000
\$126,000-\$150,000	\$25,000
> \$150,000	\$30,000

**5. What can I spend the discretionary portion of my Endowed Chair on?**

Chairholders may spend the discretionary portion of the Endowed Chair on summer salary, researcher salary (Post-Docs, Research Associates), graduate students and/or non-salary items. All expenses charged to the Discretionary speedtype must be in accordance with CWRU’s Business Policies which can be found here:

<https://case.edu/compliance/university-policies>

- Can I use my endowed chair discretionary to support my center expenses, i.e. for equipment purchase or repairs? Yes, this is allowable. Ideally, center funds would be used to cover these expenses but the discretionary can be used.

**6. Can I use my Endowed Chair for summer salary?**

Yes, you may use the discretionary portion of the Endowed Chair funds for summer salary, provided that you are performing institutional (CWRU) activity(s) benefiting CWRU and CSE during the summer. A written “Statement of Institutional Activity” must be provided by the Endowed Chairholder to their Department Manager to document the activities. This document is part of the summer salary request information that PIs provide to their Department Manager (or person who handles summer salary for your Department) in the Spring. All other CSE & CWRU summer salary policies apply (including the three-month policies).

**7. When can I start using the discretionary funds from my Endowed Chair?**

You may begin charging expenses to your endowed discretionary funds effective as of the date of your Endowed Chair Appointment, which is determined & authorized by the CWRU Board of Trustees. Chairholder expenses incurred prior to the start date of their Chair appointment may not be charged to the Chair Endowment.

**8. Can I carryforward the unused discretionary portion of my Endowed Chair funds at the end of the Fiscal Year (6/30)?**

In certain circumstances and with approval as outlined in Question 9, yes. Per the CSE Policy of the Use of Income Generated from Endowed Professorship Accounts, “Discretionary dollars unused at the end of the fiscal year (June 30th) may be carried over into the next fiscal year with the understanding that any excess over a two year discretionary total at the beginning of a new year reverts to the appointee’s department.” In practice this means that a Chairholder may roll over one annual allocation at a time.

Chairholders may request to carryforward discretionary funds in excess of the two year total as outlined in Question 9 below.

**9. I have not used all of the discretionary portion of my Endowed Chair funds and my unused discretionary amount is greater than the “two year discretionary total.” Can I request to carry these funds forward?**

Yes, you may request to carryforward the discretionary balance, provided that any such Discretionary Carryforward requests are sent no later than June 30th each year. Requests should be sent to the CSE Associate Dean of Finance and/or the Dean and approval will be granted on the merit of the justification and the proposed spending plan.

- The June 30th deadline is effective as of 7/1/2021, for FY22 carryover into FY23, and onward.

Requests received after this date may not be accommodated, since the prior year unused discretionary funds will be allocated towards Chairholder salary support in the

current fiscal year. Changes to this plan negatively impacts our financial planning and quarterly forecasts.

Note: Only posted expenditures 7/1 through 6/30 are included when calculating discretionary expenditures and budget balance for a given fiscal year. Pre-Encumbrances and Encumbrances are not expenditures, as they are commitments but have not yet been paid. Chairholders should consult with their department managers to ensure that encumbrances are paid by fiscal year end when appropriate.

**10. Why aren't I allowed to automatically carry over more than the two year discretionary total?**

The University has a fiduciary and legal obligation to the donor to honor the intended use of the endowment as described in the endowment resolution. In general, there are University rules about how such restricted funds should be used. As a restricted fund, endowment funds should generally always be used "first" before non-restricted funds. Carrying over funds puts us in jeopardy of violating those rules, however we recognize that there are times it is appropriate. Appropriate reasons might be to save for a piece of equipment, to support a graduate student once a grant is scheduled to end, or to use as cost share for a sponsored project.

**11. Does my effort charged to the Endowed Chair get included in my annual effort report / certification?**

Yes, your effort charged to the Endowed Chair speedtype is included in your non-research effort support, under the Academic Responsibilities category.

**12. Is my Endowed Chair Appointment included in my Faculty Activity report?**

No, it is not.

**13. Can I use the salary and fringe allocation of my endowed chair to cover non-chairholder salary expenses?**

No. The endowed chair salary and fringe allocation may only be used to support the chairholder appointed by the Board of Trustees.

**14. Can I carryforward the unused balance of my endowed chair discretionary if my Endowed Chair appointment is ending?**

In this scenario, the Chairholder's discretionary would expire on the end date of their appointment or June 30th of the fiscal year in which their appointment ends, whichever is sooner. If an exception is requested, the Chairholder should submit their request to Cena and the Dean for review no later than June 30th of the current fiscal year.

**15. What happens to the unused Endowed Chair Discretionary funds if I separate from Case Western Reserve University, and/or Case School of Engineering?**

In general, Faculty whose employment with the University and/or CSE ends or is ending shall relinquish their Endowed Chair Discretionary funds. See below for additional information for specific circumstances.

- a. Retiring Faculty/Emeriti: Endowed Chairholders who are retiring faculty shall relinquish their unused Endowed Chair Discretionary funds as of the date of their retirement, June 30th of the fiscal year in which their retirement is effective, or end date of their Endowed Chair appointment, whichever is sooner.
- b. Resignation: Endowed Chairholders who tender their resignation to CWRU and/or CSE shall relinquish their unused Endowed Chair Discretionary funds effective immediately upon CSE's receipt of the recipient's resignation letter ("Resignation Notification Date"). No further expenditures from the Endowed Chair Discretionary funds shall be approved after the Resignation Notification Date without prior approval from the Dean's Office.
  - i. New expenditures from discretionary funds require prior approval from the Dean's Office after the Resignation Notification Date, and such proposed expenditures must benefit CWRU or the department in some way.

**16. How are Endowed Chair Discretionary overages handled?**

- a. Overages are the responsibility of the endowed chairholder and the home department of the endowed chairholder.
- b. Endowed Chair discretionary overages should be resolved by the department business manager as soon as they are identified, no later than June 30th of each fiscal year. Overages without an alternative appropriate funding source should be journaled to the chairholder's home department OPR speedtype.
- c. Overages at the conclusion of the endowed chair term will be charged to the chairholder's home department by the CSE Dean's Office.