

## Policy on Use of Endowed Chair Income

### Rensselaer Polytechnic Institute

The Policy has been effective since July 1, 2007 (original memo attached). Financial protocols were established in 2007 and have been amended as detailed below. **Effective January 11, 2013, those protocols are as follows, in priority order:**

- If an endowed chair is vacant or becomes vacant, direct oversight and control over income and gains generated by the vacant chair will revert to the Provost, or President in the case of a constellation or institutional chair, and will be accrued and/or reinvested until a succession chair holder is nominated and approved. Upon approval, the funds will be released.
- If an endowed chair is filled the protocols are as follows, in priority order:
  - First, total compensation for the current chair holder should be covered to the fullest extent possible;
  - Second, a scholar's fund should be established, with a set amount communicated to the chair holder. That set amount will be a maximum of \$30,000 per year unless circumstances warrant a lesser or greater amount, to be approved by the President;
  - In cases where the annual income exceeds both the total compensation of the chair holder and the scholar's fund, consideration should be given to establishing a second chair, subject to the approval of the Board of Trustees;
  - If income is still available after the first three protocols have been met, graduate fellowships can be established for a set period of time in the area of research/scholarship targeted by the endowment, if not precluded by the endowment agreement.

Of course, protocols must be in conformity with the language of the donor agreement. All internal agreements between current chair holders and Deans, Provost, or President will be reviewed and revised, as appropriate, to conform to these protocols.

