

Fiscal Guidelines

Knight Endowed Chairs and Professorships

January 25, 2005

Eligibility:

When the Provost determines that an area is eligible for a Knight Chair or Professorship, the appropriate dean will be notified and invited to submit a proposal to the President and Provost. Upon approval of the proposal by the President and Provost, a search to fill the position can begin.

Appointment:

When a Dean determines who will fill a chair/professorship and notifies the recipient, a copy of the notification is sent to Resource Management (ORM). There is one fund per chair/professorship. ORM will rename the fund and create an index in consultation with the unit's budget manager. Titles on indices attached to the fund will change if either the incumbent resigns or the chair/professorship is reassigned to another unit at the end of its term. The President must approve any plan to fill a Knight Chair or Professorship that has been vacated.

Funding:

ORM is responsible for transferring the funds from the Knight Chairs Foundation equity account to the University's Knight Chair index and budgeting the index. As determined by the Provost, the current total annual amount budgeted for expenditure is \$44,000 for a Knight Chair, and \$22,000 for a Knight Professorship. Any portion used for salary *must also cover incremental OPE costs*. A Knight Chair, therefore, cannot give a full 44K stipend, or a professorship a full 22K stipend. Once the pay amount is determined and the anticipated OPE is calculated, the remaining money is budgeted in supplies and services, account code 20000. During the process of university-wide salary increases, the stipend may be increased with the approval of the Provost.

Payroll:

The recipient's regular payroll clerk prepares any payroll documents needed.

Financial Management and Reporting:

At the end of the fiscal year, ORM provides a fiscal report to the recipient, the budget manger of the department (where applicable), the area's budget manager and Dean, and to the Provost.

No deposits or transfers may be made to these funds/indices except by ORM.

Amounts not expended by the end of the fiscal year will be carried forward into the new fiscal year. If expenditures exceed revenue at the end of the fiscal year, the resulting negative balance is carried forward into the next year. If the expenditures exceed revenue at the end of the chair or professorship, the Dean has the responsibility to cover the deficit.

Award money budgeted but not spent by an incumbent who steps down from an active chair/professorship during an academic year is managed at the discretion of the Dean. Any "grace period" for expenditure must not exceed one year. Both the recipient and ORM must receive written notice outlining the time period for allowable expenditures and the amount of funds, etc available during this period.

Interest earned by the Knight funds is deposited to a single repository fund and used by the Provost to support faculty development. Negative interest from over-spending a particular budget, however, will be the responsibility of the chair/professorship's area.

Any other post-award fiscal questions should be directed to the Office of Resource Management.