



Georgia Tech
Office of the Provost

Date: March 15, 2023
To: Deans and Chairs
From: Steven W. McLaughlin, Provost and Executive Vice President for Academic Affairs
Copy: A. Trujillo, M. Rinehart, J. Howe, J. Fortner, D. Baunach, J. Herazy, J. Matt
Subject: Use of Endowment Funds for Chairs and Professorships as Faculty Salary Support

This memorandum details an optional method for providing direct salary support to faculty members holding endowed chairs or professorships. As has been the case previously, faculty members holding endowed chairs and professorship have the ability to charge summer salary to the Georgia Tech Foundation (GTF) fund associated with their endowed faculty position. This memorandum expands that ability to provide the option for additional salary support during the academic year consistent with Board of Regents Policy 8.3.2.3 ([Establishment of Named Positions](#)) and at the discretion of the faculty member’s supervisor.

Chairs, Deans, and others who supervise faculty members holding endowed chairs and professorships may follow the process below to offer salary support to these faculty members, provided that the endowment’s donor agreement allows for this type of expense. Questions regarding the expenses permitted within the terms of a specific endowment should be directed to the Office of the Provost.

Additional Salary Support Options:

- Option 1) A school chair or supervisor may increase a faculty member’s current salary charged to the endowed chair or professorship GTF fund. The fringe related to the salary increase will also be charged to the GTF fund. Any increase must be within stated job structures and pay grades.
 - To implement a salary increase, the Chair, Dean, or other supervisor must conduct a salary review for the specific faculty member, using the “[Faculty Job Structures and Pay Ranges](#)” data. If a salary adjustment is appropriate based on the market range and faculty impact and productivity, the salary adjustment and fringe may be funded from the endowed chair or professorship GTF fund.
 - Any salary increases resulting from this review process are not relinquished when the faculty member no longer occupies the endowed chair or



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professorship. Chairs, Deans, and other supervisors should take into consideration the long-term impact and sustainable funding sources for any salary increases prior to requesting any salary adjustments under this option.

- Some endowed chairs and professorships are not appropriate for this salary support option. For example, named faculty positions supported by expendable GTF funds or non GTF funding sources would not be eligible. Further, term-limited endowed chairs/professorships such as those for early career faculty would not be appropriate candidates. The purpose of these term-limited endowed chairs/professorships is to be short-term and transferrable to future faculty members, therefore not providing a sustainable source for the salary increase.
- Option 2) In the rare instance that the holding of a named faculty position includes additional duties beyond those typically expected of a faculty member, it is possible to pay a faculty member an administrative supplement during the period of time which the named position is held.
 - Any administrative supplement is subject to the [Administrative Leadership Appointments for Tenured or Tenure-Track Faculty Policy](#) and would be considered an administrative leadership appointment in the “other” category.
 - The duties required of holding the named faculty position must be a) documented in advance, b) require documented deliverables, c) included in the faculty member’s annual performance evaluation, and d) in addition to the duties of excellence in research, teaching, and service activities that are expected of all faculty members.

Please be aware of the following requirements related to implementation of the above options.

- All salary increases are subject to approval through the standard Faculty Affairs process (via GT-TRACS). If the salary increase exceeds 9.9%, the unit must also submit an Advanced Salary Increase (ASI) request through the usual process.
- Resultant salaries may not exceed the “Range Maximum” as noted in the “Jobs and Pay Grades” table.
- Any routine increases, such as merit or promotion increases should not be funded by the GTF chair or professorship fund.
- The allowance amounts described in the policy on [Scholarly Allowance for Endowed Chairs and Professorships](#) must still be maintained. Salary support may only be provided if endowment income allocations exceed the scholarly allowance amount.

See the addendum on the following page for questions and answers related to implementation of this policy. Additional questions about this optional salary funding process should be directed to Dawn Baunach or Jason Matt in the Office of the Provost.

Addendum: Questions and answers related to implementation of the Use of Endowment Funds for Chairs and Professorships as Faculty Salary Support memo

Q: Can the holder of an endowed chair or professorship initiate their own salary increase?

A: No, salary supplementation must be initiated by the Dean, Chair, or other supervisor of the individual.

Q: Can the amount of salary supplementation provided through this action be limited to less than the amount determined allowable by a salary review?

A: Yes. The amount of the salary supplementation cannot be more than what can be supported by expected income allocations of the endowment after other requirements are funded, including scholarly allowances. Additionally, the sustainability of the increase after the faculty member relinquishes the chair or professorship must be contemplated.

Q: Can the salary support be withdrawn at a later date?

A: The salary increases under Option 1 are permanent and cannot be withdrawn. Salary supplementation provided as an administrative supplement, as described in Option 2, may be withdrawn if the additional duties end.

Q: Can endowment funds used for salary supplementation per this memo be replaced by state funds at a later date?

A: Yes, this would be allowable. The endowment funds used for salary supplementation for a chair/professorship holder may be replaced by state funds at a later date. However, this is a one-time and permanent replacement. The supplemental salary could not then be swapped for endowment funds once again at an even later date.

Q: Will the actions described in this memo free up state funds for other uses, and will the school retain the funds if so?

A: No, the salary support options described in this memo represent an increase above the chair or professorship holder's current salary. BOR Policy 8.3.2.3 allows for additional salary (or salary supplementation), therefore current base salaries cannot be shifted to GTF funds.

Q: Will the salary support described in this memo be used in future equity studies?

A: In most cases, yes. The salary support described in Option 1 is permanent and represents an increase to the faculty member's base salary. Both the institute funds and GTF funds will be considered in future equity studies. The salary support described in Option 2 is temporary in nature and would not be included.

Q: Will the salary support described in this memo be used in calculating merit increases?

A: In most cases, yes. The salary support described in Option 1 is permanent and represents an increase to the faculty member's base salary. Both the institute funds and GTF funds will be considered in the calculation of future merit increases. The salary support described in Option 2 is a temporary administrative supplement and would not be included in the calculation.

Q: Can endowments gifted specifically for purposes of a named chair or professorship be used for salary support for faculty and other employees other than the holder of the named position?

A: Yes, BOR Policy 8.3.2.3 allows the endowment income to be used for “salary supplementation and for other professional support of the holder of the endowed position, including assistance in the research of the holder.” Therefore, as long as this flexibility exists within the endowment purposes defined in the donor agreement, the endowment income can be used towards salary of other faculty, staff, and students who support the research of the position holder. The salary support for non-position holders does not need to be supplemental in nature. The amount of salary charged to the endowment should be related to the individual’s effort toward professional support of the position holder.

Q: Can endowments for chairs/professorships still be used to fund summer salary?

A: Yes.