

September 26, 2014

To: Jose Wudka, Chair, UCR Academic Senate

From: Maria Anguiano, Vice Chancellor for Planning & Budget

Subject: The Logistics Team Presidential Chair in Supply Chain Management; for review by the UCR Academic Senate

As Chair Designee of the UCR Committee on Naming Campus Properties, Programs, and Facilities, I am requesting the review and approval by the Academic Senate committees for the Logistics Team Presidential Chair in Supply Chain Management.

This chair has been recommended by Yunzeng Wang, Dean, School of Business Administration.

Please review the attached request, gift agreement and presidential letter. This proposed name needs approval by the Academic Senate before it is endorsed by the Campus Naming Committee.

We would appreciate a response with the Academic Senate Executive Council's recommendation as soon as possible, preferably within two weeks.

Thank you.



INITIAL REQUEST FOR APPROVAL TO NAME/ESTABLISH AN ENDOWED CHAIR

This form is to help review gifts for compliance with academic plans and priorities, and to facilitate campus review procedures for namings.

Upon completion of this request form, the Dean/Unit Head forwards it for signature to the Associate Vice Chancellor, Development and Vice Chancellor, University Advancement. The Associate Vice Chancellor, Development or designee will submit the request, with draft gift agreement and supporting documentation to the Executive Vice Chancellor and Provost and Vice Chancellor for Academic Planning & Budget for campus review. If approved for recommendation, the EVC&P's Office follows the appropriate procedure for Endowed Chairs.

I. Background Information:

- A. Submitted by:
Name: **Yunzeng Wang**
Title, College/Unit: **Dean, School of Business Administration**
- B. Type of Gift and Comments:
➤ Endowed Chair/Distinguished Professorship: **Endowed Presidential Chair**
➤ Location of FTE: **School of Business Administration**
- C. Proposed name (if any, involving gift): **Logistics Team Presidential Chair in Supply Chain Management**
- D. Honorific naming (no gift involved): _____
- E. Proposed use(s): **SoBA professor working in Supply Chain Management to advance the mission of the school. Endowment payout will be used to provide the appointed chair holder a scholarly allowance to support research and teaching, as well as to support faculty salary and/or graduate fellowships in the chair holder's department.**

II. Academic Information: (please attach explanation)

- A. Academic Justification:
SoBA Academic Plan calls for the creation of a research center in the area of Supply Chain Management and Logistics. "Institute of Supply Chain Analytics and Logistics Studies (ISCALS)"
- Supply Chain is a focus of the school and we are making an effort to launch a research center in Supply Chain Management. This endowed chair will support this effort.**
- B. Resources: Describe the resources that will be necessary to support the proposed Chair (e.g., FTE and other funding.) Please refer to the College/Unit Academic Plan as appropriate.
The school has a plan to nearly double the faculty and we currently have several unfilled FTEs. We are in the process of hiring in Supply Chain Management which is within the academic plan already proposed and approved by the campus.

III. Contribution Information:

- A. Total amount of private funds expected to be committed (or being discussed):
\$500,000.00
- B. Form of private contribution (s):
 Outright Gift (Date: _____.)
 Written Pledge (Expected beginning date: **Septembr 2014** Fulfillment Date: **September 2018.**)
- C. Initial contribution/pledge payment expected **\$100,000.00** by **August 1, 2014.**
- D. Source(s) of private contribution(s):
- | <u>Donor(s)</u> | <u>Amount(s)</u> |
|-----------------------|------------------|
| Logistics Team | \$500,000 |
- E. Will this gift/pledge be anonymous, without publicity? Yes No

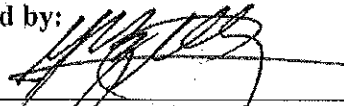
IV. College/UCR/UC Commitment:

- A. Will any *additional* college, campus-wide or system-wide resources be sought/required (e.g., space, special facilities, equipment, etc.)? How will they be funded?
Yes, \$500,000 from the UC Presidential Matching Chairs Fund Initiative. The University of California will establish a matching fund of \$500,000 to be named the Logistics Team Presidential Chair in Supply Chain Management Matching Fund. Collectively, the funds shall be referred to as "Chair Funds".
- B. If Endowed Chair or Professorship, is this a New FTE Existing FTE?
If new, please give reference to your Academic Plan: _____.

V. College/Unit/Faculty/Academic Senate Consultation

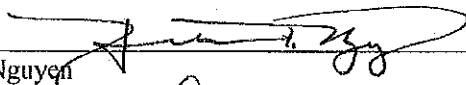
This naming has been reviewed by and received approval from the faculty of the School of Business Administration affected by the named chair.

Submitted by:



Yunzeng Wang, Dean
School of Business Administration

7.21.14
Date



Hieu T. Nguyen
Associate Vice Chancellor, Development

7.23.14
Date



Peter A. Hayashida
Vice Chancellor, University Advancement

7/25/14
Date

Send completed request form with:

- draft gift document and
- all supporting information to Associate Vice Chancellor, Development, 1100 Hinderaker Hall, Campus.



**Gift Agreement between the LOGISTICS TEAM,
the UC RIVERSIDE FOUNDATION
and the UNIVERSITY OF CALIFORNIA
To Establish the**

**LOGISTICS TEAM PRESIDENTIAL CHAIR IN SUPPLY CHAIN
MANAGEMENT
In the School of Business Administration**

I. INTRODUCTION

Logistics Team (Donor) pledges irrevocably to give the *UC Riverside Foundation, a California nonprofit corporation*, with the conditions and purposes contained in this document, cash or marketable securities having a fair market value on the dates of the gifts in the aggregate amount of \$500,000 to establish the Logistics Team Presidential Chair in Supply Chain Management Fund. The University of California will establish a matching fund of \$500,000 to be named the Logistics Team Presidential Chair in Supply Chain Management Matching Fund. Collectively, the funds shall be referred to as "Chair Funds."

BACKGROUND

Logistics Team started as a family business in 1989, operating three trucks and a small warehouse in Southern California. Under the leadership of its innovative and dynamic president, James Lin, Logistics Team is now an established and full-service global company with a diverse offering of strategic locations and partner facilities across the United States and Asia. As specialists in retail distribution, fulfillment, reverse logistics and transportation, Logistics Team plays a vital role in supply chain management, delivering product and information quickly and accurately.

James Lin was born in China, but spent his early childhood in Argentina. In 1989, he and his family moved to the United States, where they founded Logistics Team. Mr. Lin assumed the role of President of Logistics Team in 2005 and grew revenues from \$16M to \$120M by 2013. Today, in addition to logistics services, his business ventures encompass real estate, software development and leasing. Mr. Lin serves as an advisor to California universities on international business and is a member of the International Warehouse Logistics Association (IWLA).

II. ESTABLISHMENT OF FUNDS

- A. Subject to approval through the appropriate policies and procedures of the University of California, Riverside, and the Regents of the University of California, and pending receipt of funds as described below, Chair Funds shall establish the *Logistics Team Presidential Chair in Supply Chain Management ("Chair")*.

- B. The Logistics Team Presidential Chair in Supply Chain Management Fund, a true endowment to be held by the UC Riverside Foundation, shall be established when this memo has been reviewed, signed and dated by the Donor and an appropriate university official and has been fully funded. The Donor agrees to make payments of \$100,000 annually for five years beginning on September 1, 2014, with the final payment on or before September 1, 2018. Donor understands that the University will send reminder notices in accordance with this schedule.
- C. The Logistics Team Presidential Chair in Supply Chain Management Matching Fund, a fund functioning as an endowment to be held by The Regents, shall be established upon formal approval of the Chair by the President of the University. Approval will be contingent upon full funding of the Logistics Team Presidential Chair in Supply Chain Management Fund by Donor.
- D. In the unlikely event that the Logistics Team Presidential Chair in Supply Chain Management Fund does not meet the pledged amount, the Chancellor of UCR is authorized to redesignate the purpose of this fund, taking into consideration Donor's expressed wishes as to the designated purpose described in this document. Any University matching funds will be returned and the Chair will not be established.
- E. The UC Riverside Foundation advises Logistics Team to obtain tax advice regarding this gift. In recognition of UCR's intent to rely upon this commitment, this pledge is a binding legal obligation and enforceable against Donor's assets.
- F. Additions to the Fund can be made at any time.

III. PURPOSE AND USE OF CHAIR FUNDS

A. General Purpose

The expendable distribution from the Logistics Team Presidential Chair in Supply Chain Management Fund shall be transferred to The Regents and used to support faculty salary and/or graduate fellowships in the chair holder's department. The expendable distribution from the Logistics Team Presidential Chair in Supply Chain Management Matching Fund shall be used to provide the appointed chair holder a scholarly allowance to support research and teaching. Distributions shall be made under the direction of the Dean of the School of Business Administration in accordance with established UCR policies and procedures.

The establishment of the Chair Funds will comply with current policies of the UC Regents and the UC Riverside Foundation. If, in the judgment of the Chancellor, the designated use of the Chair Funds payout is impractical or impossible, then the Chancellor may, in consultation with the Donor, when possible, use Chair Fund payout for such other purposes at the University of California, Riverside as the Chancellor determines to be consistent with Donor's interests and intentions.

IV. ADMINISTRATION OF FUNDS

- A. The Chair Funds will be administered in accordance with the UCR Policies and Procedures on Endowed Professorships: Establishment, Administration, and

Appointment of Faculty.

- B. The Chair Funds' expendable distribution will be determined periodically under the terms of the Endowment Expenditure Policy as established by the UC Riverside Foundation and The Regents of the University of California.

Total return earned by the Chair Funds in excess of the amount approved for distribution shall be retained in the Chair Funds' principal to protect the Chair Funds from the effects of inflation and to allow for growth. Any unexpended distributions from the previous year may be combined with that of the current year for spending purposes or added to the Chair Funds' principal.

The principal of the Chair Funds may be combined with other Funds for investment purposes.

Fiduciary responsibility for governance and investment of the Chair Funds is vested in the UC Riverside Foundation Board of Trustees and the Chief Investment Officer of The Regents.

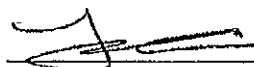
- C. As is customary with universities and other non-profit organizations across the country, a one-time gift fee is applied to each pledge payment (gift) in order to provide essential support to UCR's advancement program. We understand that the fee is currently 5%. In addition, after the one-time fee has been satisfied, administrative fees will be charged in accordance with UCR policy.

V. STEWARDSHIP

The Logistics Team Presidential Chair in Supply Chain Management Fund is testament to the value the Donor places on the long-term sustainability of the School of Business Administration and faculty achievement. The Donor will receive periodic stewardship reports from the University on the Fund.

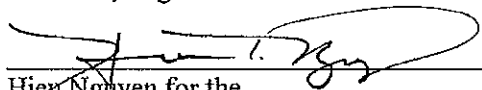
The Donor agrees that this Fund and its name may be used in University communications.

ACCEPTANCES:




James Lin
President, Logistics Team

8/19/2014
Date



Hien Nguyen for the
University of California and the UC Riverside Foundation

8/26/2014
Date



Yunzeng Wang
Dean, School of Business Administration

8/25/2014
Date



1111 Franklin Street
Oakland, California 94607-5200
Phone: (510) 987-9074
Fax: (510) 987-9086
<http://www.ucop.edu>

July 11, 2014

IN STRICT CONFIDENCE

CHANCELLORS

Dear Colleagues:

I am pleased to inform you that I will announce publicly the Presidential Match for Endowed Chairs at the July Board of Regents' meeting.

As you may recall, this new effort allocates \$50 million from the Presidential Endowment Fund to be used as an incentive to attract donations for endowed chairs at every campus.

By leveraging these matching funds, we aim to establish 100 new endowed chairs across the ten-campus system over the next five years. The annual payout from these chairs will include the chair holder's scholarly allowance (the first \$25,000), with the excess used to support faculty salaries and graduate student fellowships. As a result, the chairs will help UC address some of our most critical funding needs.

Each President's match will be \$500,000. Campuses must raise at least \$500,000 per chair in donor funds to qualify for the match, but campuses may require a larger donor "matching gift," if they choose to do so. The first \$40 million (80 chairs) will be allocated equally to each campus. The remaining \$10 million (20 chairs) will be allocated for chairs in areas that I determine are of highest priority, as well as campus need and the ability to attract a match.

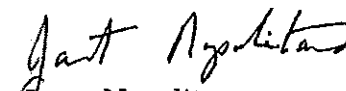
The chairs will be identified as follows: The "[Donor] Presidential Chair for [Subject]."

You can find additional details about how the program will work in the attached term sheet.

As you know, we are committed to doing all we can to develop new models of philanthropy that recognize and honor the interests of our donors while helping UC address its long-term funding needs.

I believe the Presidential Match for Endowed Chairs will help us achieve both of those goals, and I am very pleased to be announcing it next month.

Yours very truly,


Janet Napolitano
President

Attachment

cc: Members, President's Cabinet
Executive Vice Chancellors/Provosts
External Relations Vice Chancellors
Assistant Vice President O'Neill

TERM SHEET: PRESIDENTIAL MATCH FOR ENDOWED CHAIRS

The purpose is to create a matching fund for endowed chairs to support the UC faculty members and graduate students in the chair holder's discipline. The mechanism is expected to provide an incentive for donors to support endowed chairs at all 10 UC campuses.

TITLE	Presidential Match for Endowed Chairs
ALLOCATION	\$50 million from the Presidential Endowment Fund will be used as matching funds to support endowed chairs at every campus. At the start, this will redirect approximately \$2.5 million per year in endowment payout to the campuses to support faculty salaries and graduate fellowships.
FINANCIAL MECHANISM	<p>\$50 million from the Presidential Endowment Fund will be reallocated, pursuant to the President's authority, to a fund functioning as an endowment named the Presidential Matching Chairs Fund.</p> <p>\$40 million of dedicated funds will be committed to each campus (\$4 million per campus).</p> <p>\$10 million of pooled funds may be utilized by campuses once they have matched their allocation. Proposals for additional funds from the pool will be reviewed by the President and approved based on campus need and ability to attract a match.</p> <p>The President's match will each be \$500,000, creating 100 future chairs with this initial allotment.</p> <p>The "pooled fund" chairs will be in areas that the President has determined to be of highest priority. Campuses are encouraged to consult with Office of the President to ensure that proposed chairs fall within these parameters. Campuses must raise at least \$500,000 (per chair) in donor funds to qualify for match. Campuses can choose, at their discretion, to increase the amount of the endowed chair.</p> <p>As the endowed chairs are established, the appropriate matching amount will be transferred to the campus. If the donor has established a Regental chair fund, the Presidential match can be added to that fund. If a Campus Foundation fund is established by the donor, a separate Regental endowed fund will be established with the Presidential match. In this latter instance, payout from both funds would be used to support the endowed chair.</p> <p>Institutional Advancement will work with each campus to ensure that appropriate fund terms are incorporated into the campus' chair template.</p> <p>Campuses will have five years to complete their campaigns to create endowed chairs. Funds not matched within that timeframe will be returned to the Presidential Endowment Fund. Accrued interest in the Presidential Matching Chairs Fund at the end of the timeframe will also be returned to the Presidential Endowment Fund.</p>
OTHER CONSIDERATIONS	<p>The naming convention for these chairs shall be "The [Donor] Presidential Chair for [Subject]"</p> <p>A fixed amount (\$25K for example) shall be used to support the chair holder as a scholarly allowance.</p> <p>The balance of the payout shall support faculty salary and/or graduate fellowships in the chair holder's department.</p> <p>Gifts may be made to either The Regents or to a campus foundation. If made to a campus foundation, however, these funds would need to be separate from The Regents matching funds. The payout from both funds would be used to support the chair.</p> <p>These chairs shall be governed in accordance with APM 191</p>