



Policy 3.12

Policy and Procedures for Naming Opportunities and Endowed Funds

Responsible Official: VP for Development & University Relations

Administering Division/Department: Gifts

Effective Date: October 08, 2008

Last Revision: February 10, 2009

Policy Sections:

1. Overview
2. Applicability
3. Policy Details
4. Related Links
5. Contact Information
6. Revision History

Overview

Section 1: POLICY SUMMARY

Emory University Board of Trustees and its appropriate committees—through the recommendations of the President’s Cabinet and the Office of Development and Alumni Relations—establishes the following policy and procedures to govern the creation of named endowed funds and approval for naming of colleges, schools, departments, units, institutes and University-wide centers as well as Physical Space (buildings, facilities and grounds, or portions thereof) owned by the University.

The policy establishes minimum gift levels and general approval guidelines for naming of colleges, schools, departments, units, and University-wide centers and institutes as well as the naming of Physical Space (buildings, facilities and grounds, or portions thereof). Emory University Board of Trustees must approve all naming that includes “the naming of any buildings or grounds owned by the University either on or off the campuses of the University” (Emory University bylaws, Article II, Section 3), as outlined in this document.

The policy also establishes the minimum gift levels to be used across all Emory University schools, units, departments, and divisions for the establishment of privately funded endowment funds. Such minimums are important to ensure that the academic unit or program has sufficient funds available to accomplish the purpose of the fund established by the donor. All named endowment funds, as outlined in this document, shall be approved as outlined in the DAR Policies and Procedures for Gift Agreements.

Any gift that includes the establishment of an endowment or the naming of a Physical Space (buildings, facilities and grounds, or portions thereof) must include a formal Gift Agreement. Gift Agreement Policies and Procedures are contained in a separate DAR policy document.

Applicability

This policy applies to all situations in which a charitable gift is given with the intention of creating an endowment or naming a college, school, department, institute, center or program; a building or space within a building; a position; a scholarship or fellowship; a chair, professorship, or lectureship; a fund; or a laboratory.

Policy Details

SECTION 2: ENDOWMENT DESCRIPTIONS

2.1 General Endowment Description:

A fund that can be established through gifts from private individuals, corporations, foundations, associations, and other organizations, so long as those gifts meet university guidelines on endowment minimums by type (below) and are accompanied by a signed Gift Agreement. Endowments are invested to allow for the principal to remain intact (nonexpendable) in perpetuity, while a portion of endowment earnings are distributed annually to support the purpose designated by the donor(s) through a formal Gift Agreement with the University. Endowments may be designated to benefit academic or non-academic positions, students, programs, Physical Space (buildings, facilities and grounds, or portions thereof), or specific academic or non-academic departments and units. They are typically named after their donor(s) or a person(s) the donor wishes to honor. Endowments may be established by a one-time gift, a series of gifts, a pledge paid over a period of five years, wills, trusts, gifts of appreciated assets, or by a combination of these. Gifts can be added to an established endowment at any time. In certain instances, which must be outlined in a gift agreement, a specific amount of the gift commitment must be received prior to the actual naming of the position, program, building, space, project, or fund.

2.2 Permanent or True Endowment:

The National Association of College and University Business Officers (NACUBO) states: "Endowment funds are funds received from a donor with the restriction that the principal not be expendable." These endowments are only subject to modification as may be allowed by law and Emory University regulations. Establishment of any endowed fund requires a minimum gift of \$50,000 and principal can never be partially or totally expended.

2.3 Quasi-Endowment:

The National Association of College and University Business Officers (NACUBO) states: "A quasi-endowment fund is a fund established by the governing board to function like an endowment fund but which may be totally expended at any time at the discretion of the governing board." This may be gift funds that the donor did not specifically direct for use as an endowment or unrestricted funds available to the institution from other sources. The funds are invested in the same manner as a true endowment and have the same payout provisions. Establishment of a quasi-endowment requires minimum funding of \$25,000 and the principal can only be partially or totally expended upon approval by Emory's Board of Trustees.

SECTION 3: ENDOWMENT FUNDING MINIMUMS BY TYPE

Note: The dollar amounts listed below represent the University-wide minimum funds needed for various-sized programs. Depending on specific program needs and the donor's objectives, higher amounts may be necessary to achieve the desired outcome. A Dean or Director may establish higher minimums for their unit, if necessary, with the approval of the Senior Vice President for Development and Alumni Relations.

3.1 Endowed Leadership Position:

§ \$5 million minimum gift—or more, depending upon the size and scale of the unit—is necessary.
§ To provide discretionary funds to support the strategic vision of the academic or nonacademic unit, as determined by the Dean, Director, or Vice President.
§ In such cases, the position—not the specific person—is supported by the endowment.

3.2 Endowed Unit Director or Department Chairperson Position:

§ \$1 million minimum gift—or more, depending upon the size and scale of the unit—is necessary.
§ To provide discretionary funds to support the strategic vision of the unit, as determined by the Unit Director or Department Chairperson.
§ In such cases, the position—not the specific person—is supported by the endowment.

3.3 Endowed Faculty Chair:

§ \$2 million minimum gift is necessary.
§ To recruit, retain, and reward superior faculty members.
§ To enhance the faculty member's scholarly efforts and/or research program.
§ In such cases, the position and/or specific discipline—not the specific person—is supported by the endowment.

3.4 Endowed Faculty Professorship:

§ \$1 million minimum gift is necessary.
§ To recruit, retain, and reward outstanding faculty members.
§ To enhance the faculty member's scholarly efforts and/or research program.
§ In such cases, the position and/or specific discipline—not the specific person—is supported by the endowment.

3.5 Endowed Visiting Professorship:

§ \$300,000 minimum gift is necessary.
§ To support outstanding, visiting faculty members.
§ Intended to rotate to new visiting faculty on a pre-determined time frame.
§ To enhance the faculty member's scholarly efforts and/or research program.
§ In such cases, the position and/or specific discipline—not the specific person—is supported by the endowment.

3.6 Endowed Faculty Fellowship:

§ \$500,000 minimum gift is necessary.
§ For any rank of faculty member.
§ For research and teaching efforts, and for visiting scholars while in residence.
§ In such cases, the position and/or specific discipline—not the specific person—is supported by the endowment.

3.7 Endowed Lectureship:

§ \$250,000 minimum gift is necessary.

§ To be used to support expenses associated with planning and implementing lectures in specific areas and/or on specific topics.

§ Can pay administrative costs, publications, advertising, travel, lodging, and honoraria.

3.8 Endowed Graduate Fellowships:

§ \$300,000 minimum gift is necessary

§ \$750,000 minimum gift is necessary for an Honors Graduate Fellowship.

§ To support a student working toward an advanced degree in any of the graduate fields.

§ Academic merit and/or financial need may be a consideration.

§ The donor may suggest other preferential criteria.

3.9 Endowed Scholarships:

§ \$100,000 minimum gift is necessary

§ \$750,000 minimum gift is necessary for an Honors Scholarship.

§ To support an undergraduate or graduate student.

§ Academic merit and/or financial need may be a consideration.

§ The donor may suggest other preferential criteria.

3.10 Endowed Book Fund:

§ \$50,000 minimum gift is necessary.

§ To purchase books, library technology, or other materials in a specified field.

§ May also be used for preservation of books.

§ May also be used for repair, cataloging, and other expenses of the library.

3.11 Program Support Endowment:

§ \$50,000 minimum gift is necessary.

§ To support specific or general programs of Emory or of a particular unit/department.

§ Can support areas such as faculty, staff, students, operations, research, etc.

§ May be at the discretion of a Dean, Director, Unit Director, or Department Chairperson.

3.12 Endowed Laboratory:

§ \$350,000 minimum gift is necessary, depending on the discipline and size and scope of the program.

§ To be used for equipment, research, and general laboratory support.

SECTION 4: NAMING THROUGH NON-ENDOWED FUNDS

Non-endowed funding commitments can, in certain circumstances, qualify for a naming opportunity. In such cases, it is critical that funding streams be committed to—in writing—for a period of no less than five years and that the annual funding amount is equivalent to the approximate payout of the corresponding established endowment minimum. It is also necessary that the donor and Emory University establish—in writing—that the naming is to last no longer than one year after the end of the fiscal year in which the last payment was received.

4.1 Non-Endowed Professorship: To establish a term professorship without any provision for endowment requires a minimum gift commitment of \$250,000, payable at a minimum rate of \$50,000 a year for not less than five years.

4.2 Non-Endowed Lectureship: To establish a term lectureship without any provision for endowment requires a minimum gift commitment of \$75,000, payable at the rate of \$15,000 a year for a period of not less than five years.

4.3 Non-Endowed Scholarship: To establish a term scholarship without any provision for endowment requires a minimum gift commitment of \$25,000, payable at the rate of \$5,000 a year for a period of not less than five years.

4.4 Non-Endowed Research or Program Fund: To establish a research or other programmatic fund without any provision for endowment requires a minimum gift commitment of \$25,000, payable at the rate of \$5,000 a year for a period of not less than five years.

4.4 Non-Endowed “Adopt-a-Scholar” Scholarship: An exception to the above stated requirements of a “non-endowed scholarship” is the “Adopt-a-Scholar” program, which requires a minimum gift commitment of \$10,000, payable at the rate of \$2,500 a year for a period of not less than four years. This exception is made because this is an annual fund program in which the scholarship is established for the four-year term of a qualifying undergraduate student. Gifts made in this category must adhere to all other “Adopt-a-Scholar” requirements.

4.5 Named Marble Bench: Based on Emory’s Campus Master Plan, named benches are no longer available. If a donor expresses an interest in establishing a named bench, it is suggested that they be directed to consider another vehicle.

SECTION 5: OTHER NAMED FUNDS

The endowed funds and other funding requirements described above are listed because of their broad appeal to the donors of most colleges, schools, departments, and other units of the University. A variety of other purposes require funding and offer numerous gift opportunities. Each college, school or department can establish named funds to support the particular activities of its programs so long as the endowment funding minimums stated above are observed.

SECTION 6: NAMING OF COLLEGES, SCHOOLS, DEPARTMENTS, UNITS, AND

UNIVERSITY-WIDE CENTERS AND INSTITUTES

Upon the recommendation of the President, the Board of Trustees will have final approval in any decision to name a college, school, department, unit, and University-wide center and institute. In considering the naming of one of these important, socially valuable areas, it is critical that Emory proceed with extreme sensitivity considering a number of factors in addition to the level of gift. Therefore, in consideration of such naming the following conditions must be satisfied:

- If naming is in recognition of a gift, the scale, nature, and designated use of the gift must enable transformational change to occur in the unit. This criterion implies that the gift will allow the unit to undertake a well-defined series of strategic program improvements that will significantly strengthen its competitiveness materially. Ideally, these improvements will elevate the unit within a distinguished group of national peers, ideally consisting of the top programs among all national universities.

§ Any particular proposal for naming is clearly and broadly supported as being consonant with the reputation and aspirations of the unit. Critical voices, of course, include the dean, director, or unit head, the faculty leadership, the alumni leadership of the unit, the administrative leadership of the University, and Emory's Board of Trustees.

§ The present value of any proposed gift should be used as the basis for testing the potential for material improvement through a well-defined program

§ The background, character, reputation, and other qualities of the person for whom the unit is to be named are consistent with the reputation of Emory University.

§ Naming is already a well-accepted practice among the leaders nationally in the domain of the unit under consideration. Or, instead, naming is so obviously compatible with the mission of the unit that Emory can be comfortable in taking the lead in setting a new pattern.

To aid in determining the appropriate funding level required for naming, the following minimum funding is suggested:

§ College, School or Unit, or Institute: \$25 million minimum gift commitment—or more, depending upon the size and scale of the unit—is suggested.

§ Department: \$10 million minimum gift commitment—or more, depending upon the department's size and scope of programs—is suggested.

§ University-Wide Center or Institute: \$10 million minimum gift commitment—or more, depending on the disciplines involved and the size and scope of the programs—is suggested.

§ Unit-Based Center or Program: \$5 million minimum gift commitment—or more, depending upon the center's size and scope of program—is suggested to name a center or program that is wholly within a college, school, or department.

SECTION 7: NAMING OF PHYSICAL SPACE (BUILDINGS, FACILITIES AND GROUNDS, OR PORTIONS THEREOF)

The Board of Trustees, through recommendations from the Real Estate Building and Grounds Committee will have final approval on "naming of any buildings or grounds owned by the University either on or off the campuses of the University" (in accordance with Article II, Section 3 of the University Bylaws). New naming opportunities for interior spaces (such as rooms and furnishings) will remain under the authority of the individual school or division, in consultation with the Senior Vice President for Development and Alumni Relations. In consideration of such naming, the following guidelines must be followed:

- Generally, when the naming opportunity concerns a new building or renovation of an existing building, a donor will be required to provide a gift supporting a substantial portion of the funds needed to complete the project. For instance, for a facility with a cost of \$100,000,000, 50% of that amount (or \$50,000,000) would clearly represent a significant enough portion of the project costs to justify the naming of that facility. In most cases, 10% of the total gift amount will be used to establish an endowment to support the long-term overhead and maintenance of the facility.
- If donated funds are for new construction or renovation/refurbishment, they will be directed to the actual cost. If, however, the donated funds are to establish naming for an existing building or space, their specific designation will be determined by the dean/director in consultation with any other appropriate department leadership. These funds will typically support the unit or department supported by the building or space.
- Naming of a building or an area requires a completed Gift Agreement and full receipt of cash or assets that can be converted to cash immediately. Generally, buildings will not be named in honor of a donor in return for an estate commitment.

SECTION 8: PROCEDURES FOR SEEKING APPROVAL FOR NAMING

The approval processes outlined below are to be followed based on the type of naming opportunity being proposed. A prospective donor should not be approached about the naming opportunity until initial internal approval is received. Therefore, there needs to be careful planning in advance of any solicitation involving naming to ensure a smooth process with the donor.

To initiate the naming approval process, Deans/Directors are required to work through their respective Chief Development Officer to review the naming proposal with the appropriate Vice President for Development (Health Sciences or University Programs). After initial review and discussion, the Vice President for Development will forward the recommendation to the appropriate Executive Vice President (Health Affairs or Academic Affairs).

8.1 For Naming of Colleges, Schools, Units, Departments, and University-wide Centers

and Institutes, the Board of Trustees is the final authority for review and approval. Therefore, if the Executive Vice President approves the recommendation, it is then forwarded to the President for review. If the President approves the recommendation, it is then brought to the Board of Trustees for final review and approval. The Dean/Director is then notified and, if approved, may begin or finalize gift negotiations with the prospective donor. If the request is denied, the Dean/Director will be notified of the reasons for the denial and of any modifications that can be made to obtain approval.

8.2 For Naming of Physical Space (Buildings, Facilities and Grounds, or Portions Thereof), the Board of Trustees, upon recommendation of the Real Estate, Buildings, and Grounds Committee, is the final authority for review and approval (in accordance with Article II, Section 3 of the University Bylaws). The Real Estate, Buildings, and Grounds Committee may refer naming and inscription requests to the Naming and Inscription Subcommittee for research and recommendation. Requests for approval must be brought to the Real Estate, Buildings, and Grounds Committee by the appropriate Executive Vice President (Health Affairs or Academic Affairs). The Dean/Director is then notified and, if approved, may begin or finalize gift negotiations with the prospective donor. If the request is denied, the Dean/Director will be notified of the reasons for the denial and of any modifications that can be made to obtain approval.

8.3 For Naming of Interior Space in a New or Existing Building, the Senior Vice President of Development and Alumni Relations and the Dean/Director of the appropriate unit (if applicable) is the final authority for review and approval. This is the case when requesting approval for individual naming opportunities and approval for a full “menu” of naming opportunities for a focused fundraising effort.

8.4 For Named Endowed and Non-Endowed Funds, the process for approaching a donor for a named endowed or non-endowed fund—as long as the fund adheres to the minimum funding requirements outlined earlier—does not require internal approval prior to solicitation. However, once a Gift Agreement is required, all steps outlined in the DAR Gift Agreement Policy and Procedures must be followed. If unique circumstances arise in the negotiation process, exceptions and modifications must be submitted to and approved by the appropriate Vice President for Development (Health Sciences or University Programs) who may seek further approval from the Sr. VP for Development and Alumni Relations and the Executive Vice Presidents (Health Sciences or Academic Affairs).

SECTION 9: PERMANENCE OF NAMING

The naming of Physical Space (buildings, facilities and grounds, or portions thereof) is intended to be in place for the life of the specific Physical Space. If, in the determination of the Board of Trustees, circumstances change so that the purpose for which the Physical Space was established is significantly altered or if the Physical Space is no longer needed or habitable, the Board of Trustees, in consultation with appropriate academic and/or administrative leadership and the donor(s), if possible, will determine an appropriate way to recognize the donor's naming gift in perpetuity. If the University and the donor(s) previously established a Gift Agreement or contract that provides a practicable course of action, then that action shall be followed.

SECTION 10: REMOVAL OF A NAME

University naming opportunities shall bear only the name of individuals or entities that exemplify the attributes of integrity, character and leadership consistent with the highest values of Emory University. If, in the sole determination of the Board of Trustees, those attributes are not maintained, the Board of Trustees reserves the right to remove the donor's/honoree's name from a Physical Space, College, School, Department, or Unit at any time.

SECTION 11: EXCEPTIONS

The Board of Trustees and the President of the University or his Cabinet-level designee(s) shall have the latitude to approve the establishment of named funds in amounts less than those stated above, or to determine minimum levels for naming of positions, programs, or facilities not outlined in this document. For instance, if a donor provides a gift for a building that is already funded through other means or already constructed, lower minimum gifts might be appropriate.

SECTION 12: MISCELLANEOUS

12.1 Naming Rights: Following the authority given in the above policy and procedures document, the Board of Trustees and the President retain the right to approve or disapprove any naming opportunity in serving the best interests of Emory University.

12.2 Naming Consideration for a Pledge: If a naming will be the result of a total gift pledged to be paid over a period of years, the timing of the official naming must be clearly articulated in a formal Gift Agreement. Two options are: 1) naming will go into effect only after the pledge is fulfilled and the required total amount has been received by Emory, or 2) naming will go into effect immediately with a clear and documented understanding that the naming will be altered or removed if the full pledge is not paid in a mutually agreed upon timeframe.

If the pledge is not fulfilled, but the naming has been authorized by the Board of Trustees, then this change must be reported to the Board of Trustees—through the appropriate committee—so that it can be reflected in the official minutes. If only partial funding is received that is less than the required naming threshold, yet sufficient for an alternative naming

opportunity, the above procedures will govern any renegotiation.

Related Links

- Current Version of This Policy: <http://policies.emory.edu/3.12>

Contact Information

Subject	Contact	Phone	Email
Clarification of Policy	Maggi McKay	404.727.3518	mbmckay@emory.edu
Clarification of Policy	Dan Macaluso	404.712.4742	dmacalu@emory.edu

Revision History

- Version Published on: Oct 08, 2008
- Version Published on: Oct 08, 2008
- Version Published on: Oct 08, 2008
- Version Published on: Mar 13, 2008
- Version Published on: Feb 01, 2007 *(Original Publication)*