



UNIVERSITY of
DENVER

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POLICY MANUAL
DONOR-FUNDED NAMING OPPORTUNITIES
AND FUND MINIMA

Responsible Department: Office of Advancement
Recommended By: SVC for Advancement, SVC for Business and Financial Affairs, SVC for Legal Affairs and General Counsel
Approved By: Board of Trustees

Policy Number
ADV 10.10.020

Effective Date
9/___/2022

I. INTRODUCTION

Donor-funded naming opportunities offer one of the highest forms of public recognition available at the University and celebrate the generosity of donors whose support is invaluable to the ongoing mission of the University. This form of recognition not only demonstrates institutional appreciation of donors, but also educates a broader constituency about the impact and importance of philanthropy on the strength of the University.

The University will set gift fund minima, but threshold amounts may be higher for certain departments, colleges, schools or units, or by project, depending on the goal and purpose of the fund. Each naming opportunity, and the corresponding dollar minimum, should be designed to meet the specific need; therefore, higher minimum dollar amounts may be required in specific cases. Dollar amounts may change in future years at the discretion of the University.

Contact the Office of the Senior Vice Chancellor for Advancement for fund minima details.

II. POLICY OVERVIEW

- A. For facilities, and programs (this includes centers and institutes), all namings shall be directed and managed through the Office of Advancement. The Senior Vice Chancellor for Advancement, or their delegate, is responsible for identifying and managing the inventory of naming opportunities.
- B. Naming opportunities for facilities, positions and programs must be approved first by a) the Senior Vice Chancellor for Advancement, and b) the Chancellor. The Chancellor will notify the Board of Trustees (or appropriate Board

committee) regarding namings of any building, College, or any other naming gift at the \$10M+ funding level.

- C. Requests for exceptions to any portion of this Policy will be submitted to the Executive Director of Gift Policy and Advancement Information Systems, who will package the request for review by the Gift Acceptance Committee. The Committee will make recommendations for the Chancellor's approval.
- D. Naming gifts will constitute a significant portion of the total cost of the facility or program to be named and will either:
 - 1. Provide funding for the total cost of the facility or program, or
 - 2. Provide funding for that portion of the total cost which would not have been available from any other source.
- E. Gifts that establish "seed funding" can be named funds, but the program or project resulting from "seed funding" will be a separate naming opportunity.
- F. Internal budgets cannot be used, transferred, or applied to a pledge in order to meet a gift fund minimum.
- G. Honorific naming of new spaces or facilities without fundraising will be considered in special circumstances. Approval for strictly honorific namings will be submitted to the Executive Director of Gift Policy and Advancement Information Systems, who will package the request for review by the Gift Acceptance Committee. The Committee will make recommendations for the Chancellor's approval.
- H. Naming of a University facility, position, or program does not confer donor control over the use of the named entity (for example, determining the recipient of a professorship or how a named space will be utilized).
- I. Naming of a University asset or entity must be made in accordance with this Policy and related procedures and meet all terms of University Policy ADV 10.10.010 - *Gift Acceptance*.

III. PROCESS OVERVIEW

- A. For new namings, the donor or honoree must exhibit an image and demonstrate integrity consistent with the mission and values of the University.
- B. Naming requests must be accompanied by supporting documentation that outlines the donor gift and terms and the specific program, space, or facility to be named and submitted to Donor Relations and Stewardship, which will prepare the request for administration review.
- C. All endowed named gift funds require a gift agreement as supporting

documentation, signed by the donor(s), acknowledged by the Dean (if applicable), acknowledged by the Provost (if applicable), and agreed to by the Chancellor.

- D. All gift agreements for naming gifts must contain a clause that describes when the University would remove the name associated with the gift. (See Section IV.H.8 for grounds on which the University may remove a naming.) In the event of removal of a name, the University will have no obligation to return any contributions already received.
- E. New endowments must be fully funded within five (5) years of creation of the endowment. Endowments established with a bequest or planned gift will be named upon realization of the gift.
- F. University programs, units, departments, and colleges may not bear the name of a for-profit corporation or entity.
- G. Named funds must meet minimum fund thresholds. For donor-funded rooms and spaces, the recommended gift minimum is determined by the project cost or replacement cost, current marketable value, and location.
 - 1. Minimum gift values may be changed at any time at the sole discretion of the University.
 - 2. Pending agreements may be subject to the new funding levels.

IV. NAMING TYPES

- A. Naming gifts fall into the following categories: endowed funds, current use funds, facilities and program naming.
- B. **Endowed Funds**
 - 1. Endowment opportunities include funding for student support, faculty support, programs, centers, and institutes.
 - 2. The minimum gift required to establish an endowment is dependent upon the type and purpose of the endowment created, and minimum levels in effect at the time. Minimum endowment levels will be reviewed by Advancement on an as-needed basis and updated, subject to review and approval by the Senior Vice Chancellor for Advancement or their designee.
 - 3. For endowments that support programs, faculty and other positions, centers and institutes, the expectation is that an annual payout requirement dictated by the budget for the program, position, center, or institute, will drive the minimum amount for the fund and be sufficient to fulfill the donor's intended purpose.
 - 4. For endowments for student support, the amount of any scholarship award will be determined by the University. These awards can be made to one or more students, up to a maximum award for each student of

the full cost of tuition.

5. Positional faculty endowments must have existing full-time equivalent (FTE) approval. Establishing an endowment will not necessarily create a new position.
 6. Funding for any new position must be consistent with department and school/college/unit's academic strategic plan. The endowment size must be sufficient to provide a market competitive salary based on area of discipline. An analysis of the full and true cost of a new position (including but not limited to office space, equipment, lab space, research funds, benefits and full or partial support staff) is required. The unit's dean, department chair, or director must be consulted on the analysis.
- C. A memorial or honorary fund may be established as an endowment as determined by the donor.
- D. Donors are not permitted to specify any deviation from the Board-approved spending rate for the endowment. See Policy FINA 2.20.020 – *Consolidated Endowment Fund: Management and Distribution*.

E. Current Use Funds

1. Current use (spendable) funds are typically created for a distinct purpose and are often expended during an academic year. Current use funds are typically not named in honor of a donor, but namings are permissible if (i) the donor acknowledges the fund is not permanent and (ii) the gift meets the established minimum funding threshold. When possible, use of a single fund for multiple gifts with the same purpose is encouraged to permit broad and flexible use of the gifts.
2. The minimum gift(s) to establish a current use fund is determined based on the needs of the unit being supported. The dean, division chair, or other unit leadership must confirm that the gift can be used as requested by the donor and will meet department needs, prior to the gift being accepted.
3. Current use funds created with the intention of accumulating gifts in order to reach an endowment minimum ("pre-endowed" funds) must reach the minimum in effect at the time and will not be "grandfathered" to a prior, lower minimum. The maximum amount of time allowed to reach the minimum is five years.
4. Current use funds may also be created in conjunction with endowed fund bequests, in order for donors to have an immediate impact during their lifetimes ("virtual endowments"). The bequest amount must comply with the corresponding endowment minimum then in effect, and the current use fund must yield an annual amount equal to or greater than the endowment payout under the spending policy then in effect.
5. Current use student support may be named with a minimum of \$25,000. Awarding of student support funds are subject to the continued availability of funding and can be made to one or more students, up to

a maximum award for each student of the full cost of tuition. The entire balance of the fund is subject to expenditure for scholarship awards as set forth in a gift agreement.

6. A current use memorial or honorary fund may be established with a name, if (i) the total gift to the fund totals \$5,000 or more and (ii) the donor(s) acknowledge that the fund is not permanent.

F. Facilities and Program Namings

1. Naming gifts are limited to the life/use/existence of the facility or program.
2. To determine the appropriate minimum amount needed for a naming opportunity, the University will estimate the full and true cost of a new facility or program, including but not be limited to equipment needs, research funding, benefits and full or partial support staff, operations and maintenance, etc.
3. Naming opportunities may include new facilities that are to be constructed or acquired, and existing facilities, including those that are undergoing renovations.
4. In determining the name to be given to a facility, the University will give deference to the stated preference of the donor who provides the naming gift.
5. A naming opportunity for a facility will require an irrevocable agreement with the University assuring that the gifts will be received in a reasonable period of time relative to the construction or renovation of the facility.
6. Natural items such as trees, shrubs, and plants shall not be named.
7. A named gift for a program should provide adequate annual income to support that program's financial needs. New programs must be vetted by the appropriate Dean and the Provost before conversations proceed with the donor.
8. The program, as opposed to the specific person (such as a faculty member or scholarship recipient), is supported by the fund.

G. Status of contribution at the time of naming

1. When naming is in consideration of a financial contribution, the gift must be received by the University, or its future receipt must be assured through an executed agreement before the naming action may be taken.
2. Pledges to be paid over a period of time (typically up to five years) are acceptable for a current naming opportunity if the donor and University have executed a pledge payment agreement for the total amount. Pledges extending beyond five years must be approved in accordance with University Policy ADV 10.10.010 –*Gift Acceptance*.
3. A naming conferred in recognition of a pledge is contingent on fulfillment of that pledge and will be approved on that condition. The physical placement of a naming will only occur after at least 50% of the funding commitment is received.
4. If a pledged gift is to name new construction, renovation, or other projects with cash-flow considerations, the timing of the pledge

payments should be such that sufficient current dollars are available to cover project costs.

5. Irrevocable planned gifts may occasionally generate namings and must be approved by the Senior Vice Chancellor for Advancement, who will recommend action to the Chancellor, taking into account current budget and funding needs for the facility or program. Irrevocable planned gifts will be credited at their face value, with particular emphasis being given to the predictability of the long-term value of the irrevocable deferred gift.
6. Combinations of revocable planned gifts and cash may occasionally generate naming opportunities under certain circumstances and must be approved by the Senior Vice Chancellor for Advancement and the Chancellor. In assessing whether to approve the naming opportunity, the University will take into consideration the nature of the combination request, the cash flow requirements of the requesting facility or program, the predictability of the long-term value of the revocable deferred gift component, and the predictability of its receipt.

H. Duration and modification of namings

1. The duration of a donor's or honoree's name on any facility ordinarily continues for as long as the facility is used in the same manner for which the naming occurred. Upon demolition, replacement, substantial renovation, re-designation of purpose, or similar modification of a named facility, the University may decide in its sole discretion that the naming period has concluded.
2. The duration of a donor's or honoree's name on any program ordinarily continues until the program is discontinued, at which time the University may decide in its sole discretion that the naming period has concluded.
3. When the naming period is deemed concluded, Advancement should make all reasonable efforts to inform the original donors and/or honorees, or their surviving family members, in advance of the term conclusion.
4. The duration of physical donor recognition is contingent upon the life cycle of the facility or program, and once the life cycle has ended, the physical donor recognition can be removed with approval from Advancement.
5. The duration of a naming associated with current use fund ends when the fund has been fully spent.
6. The naming agreement must specify the period of time for which the facility or program will be named. At the end of the naming duration, the name shall expire.
7. **Renaming**
 - a) Any proposal to rename a facility or area or to add a second name in recognition of a gift shall be reviewed by the Senior Vice Chancellor for Advancement, who will recommend action to the Chancellor. The review shall include any gift documents pertaining

to the original gift and related naming, as well as gift documentation pertaining to the subsequent gift and proposed renaming.

- b) When the donor's or honoree's naming period has concluded, the facility or program may be renamed, with the original name removed, in recognition of new gifts, subject to any specific terms and conditions set forth in the original agreement.
- c) If a donor or honoree requests a change to the name of a facility or program (e.g., due to divorce or corporate merger), the University will consider the request.

8. Removal of naming approval

The University reserves the right to remove a naming on reasonable grounds, with no financial responsibility for returning any received contributions to the donor. The Chancellor and the Board of Trustees must approve any proposed removal. Appropriate grounds to remove a naming include, but are not limited to, the following:

- a) If the donor's or honoree's reputation, actions, or behavior no longer align with the University's values or mission;
- b) If the donor or benefactor fails to maintain payments on a pledge upon which the naming was bestowed. In such an instance, the naming may be removed after a prorated period of time that reflects the pledge payments received by the University, taking into account the estimated useful life of the program or facility or the term of years covered by the naming agreement, as applicable; or
- c) If a planned gift upon which the naming was bestowed does not result in the value agreed upon.

I. Responsibilities for costs

- 1. In the event that the General Counsel determines that it is appropriate for the University to engage outside legal counsel to advise on a donor-funded naming opportunity or other gift, all legal costs incurred by the University arising from that matter are the responsibility of the college/unit supported by the gift.
- 2. All University costs of donor or honoree signage or recognition are the responsibility of the college/unit supported by the gift.
- 3. If the donor or honoree requests a sign or recognition to be changed, and if the University agrees to such a change, all replacement signage and other related costs shall be at the donor's expense.

J. Physical naming recognition

- 1. Naming signage shall not be approved until the actual naming has been approved by the Chancellor.
- 2. Naming signage shall conform to all University signature guidelines and shall not be installed until approved by the Office of the University Architect and the Office of Advancement.
- 3. Naming signage standards shall conform to all University branding standards. Signage reflecting a corporate or organizational naming of a

facility may not include the donor's logo or other components of branding. Corporate or organizational branding in this Policy applies only to donor-funded namings and does not apply to leased spaces or other contractual business relationships.

4. No statues or significant works of art recognizing a donor's gift or to honor a person shall be commissioned or installed without following University Policy 2.30.055- *Works of Art, Collections, Acceptance, & Display* and by receiving approval of the Office of the University Architect and the Office of Advancement.
5. No publicity of the naming shall be released to the public until it has been approved by the Chancellor.
6. All gift minimums for donor recognition, which include public displays, signs, donor walls and mounted objects that recognize a donor, shall be predetermined by the Office of Advancement.
7. All mounted naming signage that has not been properly approved is subject to removal.

V. DEFINITIONS

- A. **“Endowment”** means a gift with donor stipulation that the gift principal should be invested in perpetuity and will be a permanent fund. As a result, only the annual payout from the endowed fund may be expended for the purpose designated by the donor, at a rate set in University Policy FINA 2.20.020 - *Consolidated Endowment Fund: Management and Distribution*.
- B. **“Gift agreement”** means deeds of gift, grant agreements, or statements of understanding that document the donor's intent and the University's agreement to honor that intent.
- C. **“Planned gifts”** are contributions from individuals wherein the use of the gift is usually deferred, and may involve assets without a readily ascertainable value in excess of \$50,000. Specific guidelines have been established for Planned Gift acceptance and must be reviewed on a case by case basis by the Office of Gift Planning, Advancement, or General Counsel, as appropriate.
- D. **“Memorial or honorary fund”** is a fund created by a gift(s) given in memory of or in honor of an individual.

VI. RESOURCES

- A. Policy ADV 10.10.010 – *Gift Acceptance*
- B. Policy FINA 2.20.020 – *Consolidated Endowment Fund: Management and Distributions*

C. Policy PROV 2.30.055 – *Works of Art, Collections, Acceptance, & Display*

Revision Effective Date	Purpose