

<b>System-wide Policy:</b> <b>BT0008 - Policy on the Naming of Facilities and Other Assets of the University of Tennessee</b>	
<b>Version: 4</b>	<b>Effective Date: 10/22/2010</b>

**BOARD OF TRUSTEES  
POLICY ON THE NAMING OF FACILITIES AND OTHER ASSETS  
OF THE UNIVERSITY OF TENNESSEE**

**PURPOSE**

The purpose of this policy is to establish principles and guidelines governing the naming of facilities, academic components (such as schools, colleges, departments, and programs), and other significant assets of the University so that the names of these important assets are carefully deployed for the long term as assets of the University, its student, and the people of Tennessee.

**PRINCIPLES**

Upon the recommendation of the President, the Board of Trustees shall approve the naming of facilities and other significant assets of the University. No current employee of the University, and no individual who has been an employee of the University within the previous three years, shall be eligible for consideration. In its sole discretion, the Board of Trustees may change any name adopted under this policy upon finding a significant change in circumstances.

**GUIDELINES FOR NAMING FACILITIES**

The following more specific guidelines shall govern the naming of facilities for individuals, corporations or foundations:

1. It is appropriate to express the esteem and appreciation the University feels for an individual who has brought honor to the institution by personal accomplishments or for an individual, corporation, or foundation that has made a substantial monetary contribution to the University or for the benefit of the University.
2. In the absence of a substantial monetary contribution, nominations for an individual should reflect an association with either the history of the University or the nation or with the advancement of knowledge and learning that will remain memorable long beyond the lifetime of those who propose the name. Nominations whose claims are parochial, of recent date and untested by the passage of time, or based on personal enthusiasm should be avoided. Historical perspective should be exercised before proposing names. No

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current employee of the University, and no individual who has been an employee of the University within the previous three years, shall be proposed for a naming in his or her honor.

3. The names of University facilities with specialized functions that are unlikely to change (such as athletic facilities, libraries, and medical buildings) should include terms descriptive of their functions.
4. Named facilities should be carried through the useful life of the facility. If demolished, there is no obligation to rename the replacement facility, although the Board of Trustees may choose to do so. When possible, the Chancellor of the campus/institute will inform a family member or other appropriate representative of the former namesake about a decision to demolish or change the use of a facility. If deemed appropriate in the sole discretion of the Chancellor, the former namesake may be recognized with a plaque in the new or renovated facility.
5. When an appropriate portion of the funds for construction of a facility is given or secured by an individual, the President may recommend that the facility be named for that individual or other appropriate person he or she recommends if the naming is otherwise consistent with these guidelines. To be eligible for naming under this provision, the funds must be assured by outright gift or other irrevocable method of gift. If a donor fails to fulfill a pledge or other obligation upon which a naming is based, the Chancellor of the campus/institute has authority to remove the individual's name from a facility after providing notice to the President of the University and the Board of Trustees.
6. The President will consult with appropriate representatives of the faculty, the office of development and alumni affairs, and individual Board members, as appropriate, before making naming recommendations to the Board of Trustees.
7. At the request of a namesake, the Chancellor of the campus/institute has authority to remove an individual's name from a facility after providing notice to the President of the University and the Board of Trustees.

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8. The Chancellors are authorized to name rooms, laboratory spaces, and areas on the grounds of a campus/unit upon the recommendation of the appropriate academic officer or the office of development. The President will be notified of these namings as they occur. The Chancellors will provide an annual report to the Board of Trustees of the interior/grounds spaces named on the campuses/units.

### OTHER SIGNIFICANT ASSETS

The guidelines outlined above for the naming of facilities shall be generally applicable to the naming of other significant assets. However, specific guidelines to govern the naming of colleges, schools, departments and programs shall be developed and submitted to the Board of Trustees for approval. The President shall recommend the naming of colleges, schools, departments and programs to the Board of Trustees for approval.

### EXCEPTIONS

In its sole discretion, the Board of Trustees may make an exception to the principles and guidelines stated in this policy by duly adopted motion at any regular or called meeting of the Board.

### History:

Adopted	02/22/2001
Revised	03/07/2006
	02/27/2009
	10/22/2010

[See the following pages for Guidelines for Naming Opportunities and Endowments]

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**The University of Tennessee**  
**Guidelines for Naming Opportunities and Endowments**

Approved by the Board of Trustees  
March 16, 2006

## **PURPOSE OF GUIDELINES**

To maintain consistent standards, The University of Tennessee adopts the following guidelines for naming opportunities and endowments.

### **I. GENERAL PRINCIPLES**

Private gifts to support The University of Tennessee offer an opportunity for recognition to generous donors. Based on the level of commitment, recognition may include naming opportunities for named endowments, colleges, schools, departments, and programs.

The University of Tennessee is a multi-campus system comprised of campuses and institutes with distinct missions and constituencies. To that end, while consistency is sought by these guidelines, Chancellors and the Vice President for Agriculture must have the authority to adjust the endowment/program gift levels to address special circumstances.

The Board of Trustees retains the right, if circumstances warrant, to remove an individual or corporate name from any University asset.

### **II. ENDOWMENT LEVELS**

The following endowment levels will form the foundation for all discussions with prospective donors.

#### **A. College, School, Department, Program**

**Approval Level: Board of Trustees**

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The naming of a college, school, department, or program is the greatest recognition available to individual donors with the greatest consequences. This naming opportunity is reserved for donors of significant private gifts. The dean or other appropriate administrator shall recommend the naming opportunity to the Chancellor/Vice President for Agriculture. Final authority rests with the Board of Trustees, which will base the decision on the recommendation of the President, Chancellor/Vice President for Agriculture and other relevant factors.

The naming of a college, school, department, or program may be granted to a donor who provides a significant endowment that will provide a permanent income stream to that unit. The endowment level should produce between 10 (ten) and 40 (forty) percent of the operating budget at the current spending level.

In addition to level of endowment, other relevant factors include market considerations and financial need. No more than one-half of the value may be in the form of an irrevocable deferred gift. The total gift commitment must have a present value equal to the required minimum gift.

*Example: Mr. I. M. Wealthy would like to endow the College of Engineering on the Knoxville Campus of The University of Tennessee. The 2004 E & G base budget is approximately \$14,000,000. The 10-40 percent range of the operating budget is \$1.4 million to \$5.6 million. Therefore, an endowment in the range of \$28 million to \$112 million would produce the appropriate income stream.*

Attachment I is a sample chart of collegiate naming opportunities.

## **B. Chairs and Professorships**

### **Approval Level: Dean and Chancellor/Vice President for Agriculture**

The University of Tennessee recognizes the importance of having flexibility in the use of funds donated for chairs and professorships. Therefore, to reflect individual campus needs, each campus will determine its endowment levels for chairs and professorships.

A named faculty position serves as a tool for the dean or department head in recruiting and retaining outstanding faculty. In some instances salary support is important, but in

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other situations graduate stipends, research support or travel funds are more useful. Therefore, the dean (upon consultation with the director or department head) shall determine whether the chair or professorship shall be salary, support or a combination thereof. Appointments to Chairs, Distinguished Professorships and Professorships will be for a definite term.

The name of an endowed faculty position should remain standard and may be preceded by a name suggested by the donor and followed by a collegiate or departmental modifier. It is recommended that “endowed” be avoided in the naming of a faculty position. If pledged over multiple years, earnings should be re-invested and faculty recipients should not be named until the endowment is fully funded or funded as provided in Section IV or it is deemed necessary by the academic dean to fill a specific need. Some examples might include:

Joe and Mary Smith **Chair in Political Science**  
John Doe **Chair in Mathematics**  
Joe and Mary Smith **Professor of Political Science**  
John Doe **Professor of Mathematics**

To address their individual needs, each campus will identify which faculty positions will be provided as endowment opportunities and at what funding level. Endowed faculty positions may include, but not be limited to, Chairs, Professorships and Faculty Scholars. Graduate fellowship endowment levels may also vary from campus to campus.

### **C. Scholarships/Fellowships**

#### **Approval Level: Dean**

The University of Tennessee recognizes the importance of having flexibility in using funds for scholarships and fellowships. Therefore, to reflect individual campus needs, each campus will determine its endowment levels for scholarships and fellowships.

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### III. FACILITIES AND INTERIOR/EXTERIOR SPACES

#### A. Facilities

##### **Approval Level: Board of Trustees**

The authority to name buildings and other facilities rests with The University of Tennessee Board of Trustees. The Board Policy on the Naming of Facilities and Other Assets of The University of Tennessee is incorporated in these Guidelines by reference.

#### B. Naming of Interior/Exterior Spaces

##### **Approval Level: Chancellor or Vice President for Agriculture**

The authority to name interior spaces (e.g. classrooms and laboratories) or exterior spaces (e.g. malls, plazas, gardens) rests with the Chancellors and the Vice President for Agriculture, upon the recommendation of the appropriate academic officer or the office of development.

The Chancellors and the Vice President for Agriculture shall inform the President of these namings as they occur. The Chancellors and the Vice President for Agriculture will provide an annual report to the Board of Trustees of all namings of interior/exterior spaces.

The criteria for determining gifting levels for interior and exterior spaces shall be performed by assigning weight to a defined six criteria component list. The criteria are as follows:

1. **Public Use**

The types of activities that occur in the space determine the rating. Higher weighing should be given to areas that will accommodate high-profile activities for the university that serve external constituents.

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2. **Uses of Space**

This criterion should be weighted through the determination of traffic flow in the particular area. Areas of high exposure to student traffic should increase this weight. Higher use patterns receive heavier weighting.

3. **Visibility**

Who views that particular space or feature? Is it visible to outside guests or only to internal constituents? Is the space of special significance? If the space or feature will be highly visible to an assortment of people, it will have a higher weighting than a space or feature that is primarily visible to one or two audiences.

4. **Size**

If the size adds value to the space, weighting is determined by the square footage of the space. If not, size may not be a consideration.

5. **Aesthetic Qualities**

The architectural significance of the space and/or the ornate quality of the particular feature determines the weight. Is this space of high visual quality? Does the use of different architectural design highly impact the grandeur of this space or feature?

6. **Benchmarking**

This weight is determined by looking at the gifting levels of peer institutions and contemporary campus precedents with similar space or features.

The purpose of these guidelines is to serve as a common format across the university, while allowing each university to make its own determination on specific gift levels related to benchmarking and funding potential.

*Example: The naming opportunities for the Glocker Renovation project are shown in Attachment II.*



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#### IV. DEFERRED GIFTS RELATED TO NAMING OPPORTUNITIES

Revocable and irrevocable deferred commitments may establish a named fund using current fund minimums. Language in the Gift Agreement will indicate that, if the eventual gift amount is lower than the funding minimum at the time the gift is realized, then the university must decide to either (a) re-invest the income until it reaches the desired fund minimum or (b) use the fund for a similar purpose at a lower fund amount as outlined in the Gift Agreement. The total gift commitment must have a present value equal to the required minimum gift.

*Example: Phil Anthropist, age 50, wishes to endow the Amy Anthropist Chair in Social Work through an estate gift. The development officer explains to Phil that the bequest must meet the minimum funding level for a chair when the expectancy is realized. The chair will not be awarded until the full funding level is in place. If Phil passed away today and the balance of his deferred commitment came to \$1.5 million, the university would decide whether to invest the amount until it reaches the \$2 million chair minimum or create a distinguished professorship.*

Extraordinary circumstances may require that a dean fill a chair or professorship without full funding in place. This may be done with approval of the Chancellor, Vice President for Agriculture.

#### V. FLEXIBLE ENDOWMENTS

It is possible for a donor to fund a project on an annual basis that, over time, will be funded by an endowment. Typically, a series of gifts is pledged with a portion used to provide annual support at the desired level, with the rest used to build endowment to the required level. This plan allows for the immediate naming and operation of an endowment fund in cases where a current gift for the entire endowment amount is not possible. The university requests that an irrevocable commitment be made by the donor to complete the endowment funding in an appropriate period of time.

During the period when the purpose of a flexible endowment is being supported by annual gifts (before the fund is large enough to continue as a self-sustaining endowment), it may, for example, operate as a faculty fellowship or support fund. Once the funding is completed, the position could be upgraded to a higher level.