

# LUTHER COLLEGE

## POLICIES AND PROCEDURES

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Department:	Advancement
Subject:	Philanthropic Naming Policy
Date Issued:	May 17, 2021
Date Revised:	
Approved By:	Reviewed by President, Approved by Board of Regents, May 15, 2021

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### I. Policy/Procedure

Naming opportunities exist to recognize the dedication, accomplishment, and/or generosity of extraordinary individuals and entities whose support is valuable to the Luther College mission and community.

### II. Purpose

The naming policy provides consistency, transparency, and accountability while being sensitive to the needs and goals of the donors and the college.

The philanthropic naming policy provides:

- the opportunity to appropriately recognize donors or their honorees for significant gifts in support of Luther College;
- guidelines to prospective donors and college staff about the size and structure of gifts necessary to attain various levels of recognition;
- standards to ensure newly established endowments are funded at levels which support the stated, desired purpose;
- consistent recognition of named funds created through current gifts or deferred gift commitments; and,
- promotes parity and long-term fiscal stability for Luther College's programs and mission.

### III. Documentation

All gifts that involve recognition should be documented in a written gift agreement between the donor and Luther College, with the exception of commemorative naming of campus areas or sections of facilities. Agreements should detail the terms of understanding regarding the naming and any related issues about the use and recognition of the gift.

### IV. Terms and Definitions

**Endowment:** A fund that is permanently restricted by the donor in perpetuity with the Board determined spending allowance used for the restricted purpose designated by the donor.

**Expendable/Current:** Donations that are to be used for current operations (restricted and unrestricted).

**Naming Opportunity:** A project, program, construction project, or other item to be funded that provides an opportunity for a donor to attach a name (theirs or somebody else's) to the project, program, construction project, or other item to be funded.

## V. Policy

A. **Naming of Facilities** owned by the college (i.e. facilities or facility components such as buildings, wings, auditoriums, rooms, offices, conference rooms, and halls; structures; collections; grounds, landscapes or landscape components; other locations or equipment)

a. Process

- i. During a campaign, a list of naming opportunities may be developed specific to that campaign and/or project.
- ii. On an ongoing basis, there may be various rooms, spaces, and facilities that may be named.
- iii. The Vice President for Advancement is responsible for reviewing all names proposed for campus facilities.

b. Authority

- i. *Naming of buildings or structures* must be approved by the Luther College Board of Regents upon the recommendation of the President.
- ii. *Naming of interior spaces, objects, features, collections, or equipment* must be approved by the President, in consultation with the Vice President for Finance and Administration and/or Provost, upon recommendation of the Vice President for Advancement.
- iii. *Naming of college grounds or portions thereof, landscaping, or other outdoor structures (with the exception of trees and benches)* must be approved by the President, in consultation with the Vice President for Finance and Administration, upon recommendation of the Vice President for Advancement.

c. Funding

- i. *Naming of buildings or structures* requires a minimum commitment of fifty-percent of the project cost, unless otherwise approved by the President and the Vice President for Advancement.
- ii. Naming of physical spaces may be used to recognize donors of non-capital gifts.
- iii. Deferred gift commitments and split-interest gifts are not eligible for a physical Naming Opportunity; a realized bequest or split-interest gift is eligible for a physical Naming Opportunity.
- iv. In general, donors must be on schedule with pledge payments as documented in the written gift agreement prior to visual donor recognition being installed.

B. **Naming of Academic Entities** (i.e. departments, centers, units, programs, deans, center directors, department heads, professorships, coaches, lectureships, lecture series, awards, scholarships, fellowships, etc.)

a. Authority

- i. *Naming of centers, units, departments, and programs*, based on guidelines established in consultation with the Provost and the Vice President for Advancement, with approval by the President.
- ii. *Naming of professorships, deanships, center directors, department chairs, and coaches*, based on guidelines established in consultation with the Provost and the Vice President for Advancement, with approval by the Provost.
- iii. *Naming of research fellowships, lectureships, department or program funds, scholarships and awards*, based on guidelines established in consultation with the appropriate department head and/or the Provost, with approval by the Vice President for Advancement or their designee.

b. Funding

- i. Deferred and split-interest gifts may be used for academic naming opportunities, however consideration should be given to the value of the gift, when it will be realized, and the future naming thresholds that will be required at that time.
- ii. All academic naming opportunities may be publicly acknowledged once the gift agreement has been signed. Distribution of available funds will occur when the minimum funding level has been reached as stated in the gift agreement.
- iii. Expendable/Current funding must be received by May 31 prior to the academic year in which the funding will be used.

**C. Naming for Corporations, Foundations, or Other Organizations**

To avoid any appearance of commercial influence or conflict of interest, due diligence should be taken before recommending the naming of a physical space or academic entity that involves the name of a corporation, corporate foundation, or organization.

**D. Permanence of Naming Opportunity**

The college affirms its commitment to donors to honor their philanthropic legacy and historical connection to Luther College. A naming in recognition of a gift shall be for the useful life of the building, structure, center, program, endowment, or item being named unless otherwise agreed to in the gift agreement.

If the purpose of the original named gift is no longer consistent with the college's mission, the Luther College Board of Regents will determine a redirection of funds, taking into consideration the original purpose and intent of the gift. Where possible, donors or their heirs will be contacted and any changes to the gift agreement will be made.

**E. Removing a Naming Opportunity**

The college reserves the right to remove a philanthropic naming opportunity if one of the following conditions occurs:

- a. A donor does not fulfill a pledge obligation as outlined in the written gift agreement.
- b. The continued use of the name may compromise the public trust, reputation, mission, integrity, or image of the College as determined by the Luther College Board of Regents.

**F. Declining a Naming Opportunity**

At all times, the college will consider the potential naming ramifications relating to a gift. If, after consideration of a potential philanthropic Naming Opportunity, it is determined that a Naming

Opportunity could be damaging to the college, its mission or community, the college retains the right to decline a Naming Opportunity and/or a gift associated with a Naming Opportunity.

**G. Consistent Signage**

Donor recognition signage is coordinated with college design standards while also allowing some individuality within the area in which the sign will be housed. All fabrication and installation of donor recognition across the college must be coordinated with the Director of Stewardship and Special Events, who will in turn coordinate with the Director of Facilities Services and other appropriate administrators.

**H. Minimum Amounts**

The gift levels detailed in the naming table are intended as minimum amounts to name the respective opportunity. These minimum amounts may be adjusted to reflect market conditions at any time with approval from the President and Vice President for Advancement.

The minimum amounts reflect the amount required for outright commitments. Minimum amounts for deferred or split-interest gifts will be reviewed and consideration will be given to the value of the gift, when it will be realized, and the future naming thresholds that will be required at that time.

**I. Pledge Period**

All commitments must be paid within five years of naming, unless an exception is approved by the Vice President for Advancement and the President. In the event the pledge is not fulfilled, the Naming Opportunity may be forfeited.

Generally, a Naming Opportunity will not be recognized through a deferred gift until the gift amount is accessible. However, a Naming Opportunity may be considered through an irrevocable deferred gift at the discounted present value under special circumstances, with approval from the Vice President for Advancement and the President.

**J. Exceptions**

Any exception to the philanthropic naming policy must be approved by the President, upon recommendation of the Vice President for Advancement. Similarly, naming opportunities that are not otherwise set forth in the policy must be approved by the President, on recommendation of the Vice President for Advancement.

**VI. Related Documents and Information**

- A. Naming Opportunities Table*
- B. Luther College Gift Acceptance Policy*
- C. The Legacy Trust Case Statement*
- D. The Luther College Endowment Case Statement*
- E. Luther College Facility Naming Gift Agreement*
- F. Guideline (Gift Agreement) Templates for Expendable/Current and Endowed Funds*