

## THE UNIVERSITY OF ALABAMA IN HUNTSVILLE

### POLICY AND PROCEDURES FOR NAMING OPPORTUNITIES

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| <b><u>Number</u></b>   | 04.04.02                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b><u>Division</u></b> | University Advancement – Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b><u>Date</u></b>     | October 2020, Revised August 5, 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b><u>Purpose</u></b>  | The purpose of this policy is to communicate the guidelines followed by The University of Alabama in Huntsville (“UAH” or “University”) in regard to naming opportunities as set forth by The Board of Trustees of The University of Alabama (the “Board”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b><u>Policy</u></b>   | <p>Gifts of a significant amount benefitting UAH can provide donors the opportunity to name buildings, spaces, facilities, colleges, departments, units, programs, scholarships, or other items in honor of the donor or another designee. Standards and guidelines for naming for any of the three campuses in the University of Alabama System are established by the Board and are set forth in Board Rule 411 of the <a href="#">Board Manual</a> of The Board of Trustees of The University of Alabama. All further Board Rules in this policy are incorporated into this policy in entirety by reference. The policy here is concerned with gift-based naming and does not attempt to address other naming actions, such as honorific naming.</p> <p><i>Authorized parties:</i> Prior to conversations with potential donors regarding naming opportunities, a discussion should take place with a member of the UAH Office of Development (the “Development Office”) and approval should be obtained from the Vice President for University Advancement. Endowment level naming opportunities are recommended by the UAH President to the Board for its approval.</p> <p><i>Permanence of Naming:</i> In most circumstances, names will remain in place for the life of an endowment, academic program, or facility. The University, per the Board, at its sole discretion, and in all cases, reserves the right to remove or withdraw any naming at any time for any reason.</p> <p><i>Compliance:</i> All aspects of this policy will be in compliance with Board Rule 411 of the Board.</p> <p><i>For further information or questions about this policy, please contact the Development Office at UAH at 256-UAH-GIVE.</i></p> |

## Requirements for Naming Programs or Facilities

When programs or facilities are to be named in return for a financial contribution, the gift shall have been received by UAH, or future receipt should be assured through a signed pledge agreement. Before naming is considered by the Board, at least forty percent (40%) of the pledged gift amount for the naming must be initially received, and the remainder of the gift amount must be received within four (4) years thereafter unless an exception is requested and approved by the Board.

The Development Office must be involved in any discussions about naming opportunities for buildings, landmarks, significant interior or exterior spaces, colleges, schools, departments, facilities, or programs of study. These must all be approved by the Board.

Additionally, the Board generally disfavors the naming of any building, landmarks, significant interior or exterior spaces, colleges, schools, departments, or facilities, after corporations, businesses, or other for-profit commercial enterprises. Any gifts in contemplation of such naming are subject to approval by the Board, and will normally include a term limit in the range of five (5) to ten (10) years for the naming.

*Minimum Standards for Naming a Facility or Part of Facility:* In compliance with Board Rule 411, the matter of naming a facility or part of a facility for a donor or donor's honoree will be decided in all cases by the Board upon recommendation of the UAH President. Donors are normally required to provide a gift, or series of gifts, with a total present cash value in the accepted range of no less than thirty-three percent (33%) to fifty percent (50%) of the expected construction cost or replacement value of the facility, or portion thereof, withstanding fees and costs as explained in Board Rule 411. The chosen percentage of the gift amount to be used will be recommended by the UAH President to the Board after due consideration is given to the size, location, prominence, purpose, and level of use of the facility. Additionally, the cost of naming opportunities limited to a period of time less than the anticipated life of the space may be lower than naming opportunities that are associated with the life of the space being named. The Board will consider these on a case-by-case basis upon recommendation of the UAH President.

*Minimum Standards for Naming a Program or Unit:* Naming of a college, school, department, or other program or unit will be decided in all cases by the Board upon recommendation of The UAH President. A substantial portion of the gift should be designated as a permanent endowment with the income from the endowment providing a perpetual stream of support for the program or unit. Subject to the minimum levels for naming found in Board Rule 411, the specific

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amount required to name a program or unit will be recommended to the Board by the UAH President, giving consideration to the size, scope, national recognition, annual operating budget, student enrollment, and number and accomplishment of the faculty of the program or unit being named. Naming opportunities limited to a period of time less than the anticipated life of the space may cost less than naming opportunities that are associated with the life of the space being named. The Board will consider these on a case-by-case basis upon recommendation of the UAH President.

*Trees and Benches Exception:* UAH does not support the naming of trees and benches due to their limited life span. Other opportunities for a donor to recognize a constituent in honor or memoriam exist through memorial scholarship funds or named endowments.

*Gifts of Equipment:* While UAH recognizes and supports in-kind gifts of equipment that can be utilized by faculty or staff for courses or programs, these gifts do not qualify for naming rooms, laboratories, or facilities.

#### Requirements for Named Endowments

Endowments are gifts intended to provide permanent support to a University program as chosen by the donor. These funds remain intact while the earnings support students, faculty and/or programs as directed by the donor. Endowments can be established as an outright gift, a multi-year pledge (not to exceed five years), or a deferred gift. Endowments established by deferred giving will not be in effect until the planned gift is distributed to UAH.

*Minimum Standards for Named Endowments:* Board Rule 411 addresses minimum endowment standards. This is to ensure that the endowment will generate sufficient income to accomplish the intended purpose. While UAH cannot reduce the minimum endowment level, a higher minimum can be adopted. UAH administers acceptance of all gifts in accordance with Board Rule 411. The Board sets the spending rate of the UA System Pooled Endowment Fund (“UASPEF”). For the current spending rate, consult Board Rule 404.

#### **The University of Alabama in Huntsville Endowment Minimums as required by Board Rule 411:**

|          |             |
|----------|-------------|
| Deanship | \$2,500,000 |
| Chair    | \$1,000,000 |

|                                                     |             |
|-----------------------------------------------------|-------------|
| Distinguished Presidential Scholarship              | \$1,000,000 |
| Professorship                                       | \$500,000   |
| Distinguished Graduate Fellowship                   | \$500,000   |
| Visiting Professorship or Distinguished Lectureship | \$250,000   |
| Research Fund or Eminent Faculty Scholar Fund       | \$100,000   |
| Lectureship                                         | \$75,000    |
| Fellowship or Eminent Scholarship                   | \$50,000    |
| Student Loan Fund                                   | \$50,000    |
| Scholarship or Support Fund                         | \$25,000    |
| Award Fund or Library Fund                          | \$10,000    |

**The University of Alabama in Huntsville Naming and Support Opportunity**  
**Minimums for a Program or Unit as required by Board Rule 411:**

|                                            |              |
|--------------------------------------------|--------------|
| College                                    | \$10,000,000 |
| School/Department                          | \$5,000,000  |
| University Institute/Program/Center        | \$3,000,000  |
| College or School Institute/Program/Center | \$1,000,000  |

**Review**

The Vice President for University Advancement is responsible for the review of this policy every five years (or when circumstances require).