Endowment and Naming Policies for Academic Positions, Undergraduate Scholarships, Faculty and Graduate Fellowships, Programs, Units, and Property

Major Topics

- Endowment Policies for Academic Positions
- Endowment Policies for Undergraduate Scholarships and Graduate Fellowships
- Endowment Policies for University Programs and Units
- Gift Policies for Naming University Property

I. Introduction

This regulation establishes the minimum gift amounts and other endowment requirements for private funding of academic positions, undergraduate scholarships, and faculty and graduate fellowships. This regulation also establishes minimum gift amounts and requirements for naming University programs, units, and properties.

II. Entities Affected

This regulation applies to all employees and units of the University.

III. Endowment Policies for Academic Positions

A. In accordance with Governing Regulation II.A.6(g), private gifts and pledges of $400,000 or more shall be accepted by the Board of Trustees prior to the establishment of, or support of, an endowed academic position. In addition, private gifts and pledges in any amount that qualify for matching funds from the Kentucky Research Challenge Trust Fund ("Bucks for Brains") shall be accepted by the Board of Trustees.

B. Prior approval by the Board of Trustees is required for an appointment made to an endowed academic position.

C. Negotiations, solicitation of private funds, or commitments related to the establishment or support of an endowed academic position shall not be undertaken by any faculty employee or officer of the University until a proposal for these has been approved by the appropriate dean, the Vice President for
Development, and the Provost.

D. All solicitation of gifts for support of academic positions and the handling of these gifts shall be done in accordance with the Business Procedures Manual E-22, Policies and Procedures for Soliciting, Receiving, Recording, and Acknowledging Gifts, and applicable Office of Development policies and procedures.

E. The maximum pledge period to fully fund an endowment shall not exceed five (5) years and the endowment agreement shall contain a description of the pledge payment schedule. Additionally, for pledges of $1,000,000 and above, the endowment agreement shall contain a provision to ensure that the pledge is legally binding on the donor's estate.

F. Subject to the approval of the President and the Board of Trustees, positions supported with private funds shall be established in the academic area of the donor's choice and will bear the donor's name or a name of the donor's selection.

G. Appointments to all academic positions funded fully or in part from private gifts shall be made in accordance with the provisions concerning academic employment as set forth in the Governing Regulations and the Administrative Regulations of the University.

H. Colleges and Programs may, by written policy, establish minimum gift amounts for academic positions higher than those defined in this Administrative Regulation.

I. Privately-funded academic positions shall be established with the following minimum gifts and conditions:

1. **Deanship** - $4,000,000. The University may provide from University funds such supplemental amounts as are necessary to set the salary of the holder of the deanship at a level commensurate with the individual's record, experience, and position in the faculty. Income from the gift shall be used for both salary and other professional support of the holder of the deanship, including assistance for research.

2. **Named Chair** - $2,000,000. The University may provide from University funds such supplemental amounts as are necessary to set the salary of the holder of the chair at a level commensurate with the individual's record, experience, and position in the faculty. Income from the gift may be used for both salary and other professional support of the holder of the chair, including assistance for research.

3. **Distinguished Scholar** - $300,000. A distinguished scholar shall be considered a temporary appointment, usually given to a visiting scholar during temporary residence at the University. Other compensation may be provided for the visiting scholar through regular budgetary procedures, but no visiting scholar shall be compensated from two or more distinguished scholar endowments or gift accounts.

4. **Professorship** - $250,000. Income from the gift shall be used primarily to supplement the salary of the holder of the professorship but shall be available for other professional support, including assistance for research.

   This policy in no way alters or prohibits the establishment of University Alumni Professorships on a continuing appointment basis, College Alumni Professorships on an annual appointment basis, or other such professorships associated with educational units, under terms approved by the President of the University.

5. **Named Faculty Support Fund** - $250,000. Income from the gift shall be used for faculty professional support in areas other than salary or salary supplement, including but not limited to research.
support, travel, equipment, and other expenditures that support excellence in the academic or research area. Permissible uses for such funds shall be established in the gift agreement.

6. **Lectureship** - $100,000. The lectureship shall be considered a temporary appointment, usually given to a visiting scholar during temporary residence at the University. Other compensation may be provided for the visiting scholar through regular budgetary procedures, but no visiting scholar shall be compensated from two or more lectureship endowments or gift accounts.

7. **Faculty Fellowship** - $100,000. Other compensation may be provided for the faculty fellowship through regular budgetary procedures, but no holder of a faculty fellowship shall be compensated from two or more fellowship endowments or gift accounts.

### IV. Endowment Policies for Undergraduate Scholarships and Graduate Fellowships

A. Prior approval by the Office of Development, the Office of Legal Counsel, and the Office of the Treasurer is required for the establishment of undergraduate scholarships and graduate fellowships.

B. Negotiations, solicitation of private funds, or commitments related to the establishment of an undergraduate scholarship or graduate fellowship shall not be undertaken by any employee of the University until a proposal for these has been approved by the appropriate dean, the Office of Development, and the Provost.

C. All solicitation of gifts for support of undergraduate scholarships and graduate fellowships and the handling of these gifts shall be in accordance with the Business Procedures Manual E-22, Policies and Procedures for Soliciting, Receiving, Recording, and Acknowledging Gifts and applicable Office of Development policies and procedures.

D. Colleges and Programs may, by written policy, establish minimum gift amounts for undergraduate scholarships and graduate fellowships higher than those defined in this Administrative Regulation.

E. The maximum pledge period to fully fund a scholarship or fellowship shall not exceed five (5) years and the endowment agreement shall contain a description of the pledge payment schedule. Additionally, for pledges of $1,000,000 and above, the endowment agreement shall contain a provision to ensure that the pledge is legally binding on the donor’s estate.

F. The selection of students for undergraduate scholarships and graduate fellowships funded fully or in part from private gifts shall be made in accordance with the gift agreement, to the extent possible and consistent with state and federal law and applicable University regulations and policies.

G. Privately-funded undergraduate scholarships and graduate fellowships shall be established with the following minimum gifts:

1. Undergraduate Scholarship - $25,000
2. Undergraduate Provost Scholarship - $100,000
3. Undergraduate Presidential Scholarship - $250,000
4. Singletary Scholarship - $350,000
5. Graduate-level Fellowship - $100,000
V. Endowment Policies for University Programs and Units

Privately-funded University programs (e.g. programs, institutes, centers, etc.) and units (e.g. departments, colleges, etc.) shall be established and named only upon the following terms and conditions:

A. The endowment’s annual earnings shall provide 20% more expendable budget than available over the immediate past three-year average;

B. The gift agreement shall be legally binding on the donor's estate;

C. At least 50% of the commitment shall be received prior to naming; and

D. At least 2% of endowment shall be earmarked for maintenance, which shall be added into the initial request.

VI. Gift Policies for Naming University Property

Privately-funded University property (e.g. structures, playing fields, plazas, etc.) shall be named only upon the following terms and conditions:

A. The private funding shall constitute 50% of the fundraising goal for the property, or 15% of the cost to construct a facility or purchase the property;

B. The gift agreement shall be legally binding on the donor's estate;

C. At least 50% of the commitment shall be received prior to construction or purchase;

D. At least 2% of endowment shall be earmarked for maintenance, which shall be added into the initial request; and

E. Subject to the requirements and guidelines established in Administrative Regulation 9:5, “Policy Statement and Advisory Committee on Naming University Property”, and upon recommendation of the Committee on Naming University Property and the approval of the President and the Board of Trustees, property supported with private funds shall be in the area of the donor's choice and shall bear the donor's name or a name of the donor's selection.

VII. References

KRS 164.160 Trustees constitute body corporate -- Power to receive and administer revenue and property
GR II Governance of the University of Kentucky
AR 9:5 Policy Statement and Committee on Naming University Property
BPM E-22-1 Policies and Procedures for Soliciting, Receiving, Recording, and Acknowledging Gifts

Revision History

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For questions, contact: Office of Legal Counsel