

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 17-23

COMMITTEE DATE: January 17, 2017

BOARD DATE: January 24, 2017

**APPROVAL OF THE BOARD OF HIGHER EDUCATION BUILDING NAMING POLICY
AMENDMENT**

MOVED: For reasons set forth in the background document, the Board of Higher Education (BHE) hereby adopts the attached amendment to the Building Naming Policy.

Authority: Massachusetts General Laws Chapter 15A, Section 9

Contact: Sean P. Nelson, Deputy Commissioner for Administration and Finance

BOARD OF HIGHER EDUCATION

January 2017

Background

The Building Naming Policy was first approved by the Board of Higher Education (BHE) in December of 2014. The primary aim of the policy was to recognize the importance of naming opportunities on college campuses for the purposes of both promoting fundraising and to also recognize individuals who have made a significant professional contribution and/or distinguished service to the campus and/or the surrounding community. The policy established criteria and procedures for granting naming rights in relation to public State University and Community College buildings in Massachusetts.

In the two years since the policy was passed by the BHE, several naming-in-recognition requests have come before the board and have been approved in accordance with the current policy. While there are specific donation thresholds for new building naming rights outlined in the policy, there is no donation component for naming-in-recognition requests. A desire was expressed by the FAAP committee to amend the Building Naming Policy to reflect, at minimum, a capital and/or development campaign to raise funds for naming-in-recognition.

The proposed amendment language is as follows:

Naming in recognition rights shall be granted by the Board of Higher Education under the expectation that a fundraising campaign to support the institution be conducted in honor of the named recipient. Such fundraising campaigns can include any significant effort to support the institution, such as a campaign to raise funding for an endowed professorship or chair, a general scholarship or fellowship fund, or a building stewardship fund.

The amendment shall take effect upon passage by the BHE.

**Board of Higher Education Policy Regarding Building Naming Rights at Massachusetts
Public Higher Education Institutions
December 9, 2014
As amended January 24, 2016**

Background

The Department of Higher Education recognizes the importance of naming opportunities on college campuses for the purposes of both promoting fundraising and to also recognize individuals who have made a significant professional contribution to the campus and/or the surrounding community.

The Board of Higher Education (BHE) is authorized by Massachusetts General Law (MGL), Chapter 15A, and Section 9(m) to “have overall responsibility for the property, real and personal, occupied or owned by the council, state universities, and community colleges.” Further, pursuant to MGL Chapter 15A, Section 7A, the BHE, in consultation with the presidents of the state universities and the community colleges, shall “maximize fundraising from private sources.”

Currently, the BHE does not have a policy that outlines the approval process, establishes donation thresholds, sets parameters for recognition naming, or provides a mechanism for rescinding a naming right. As a result, the BHE has granted approval for building naming on a case by case basis. This policy is intended to clarify and codify all three of those elements.

I. Scope

In reviewing policies at both the local and national level, naming opportunities are generally classified into four general areas:

1. **Major New Building**
2. **Unnamed existing buildings and buildings that are renovated and repurposed** for use regarded as essential to the campus’s objectives and academic interests.
3. **Classroom and Common Spaces**, including but not limited to: athletic fields, conference rooms, lecture halls, student unions, libraries, dining commons, etc.
4. **Academic Support**, including, but not limited to: schools (e.g. business, education, nursing, music); department chairs, academic programs, endowments, and scholarships.

For the purposes of the BHE, this policy shall pertain to the naming of all new buildings and unnamed existing buildings and buildings that are renovated and repurposed, irrespective of the source of financing for construction or renovation of the building. Naming rights, including donor thresholds, for Classrooms/Common Spaces and Academic Support will continue to be approved at the campus level. The BHE will, however, provide local and national benchmarking to the campuses as guidance for the development of campus policies.

II. Donor Thresholds for Major New Buildings

The BHE will consider approving a naming right for a new building at the following donor thresholds:

New Building on a Community College Campus: \$2,000,000

New Building on a State University Campus: \$2,000,000

III. Donor Thresholds for Renovated or Repurposed Buildings

The BHE will consider approving a naming for a renovated or repurposed Building at the following donor thresholds:

Renovated or Repurposed Building on a Community College Campus: \$1,500,000

Renovated or Repurposed Building on a State University Campus: \$1,500,000

IV. Donor Thresholds for Unnamed Existing Buildings

The BHE will consider approving a naming right for an unnamed existing building at the following donor thresholds:

Unnamed Existing Building on a Community College Campus: \$1,000,000

Unnamed Existing Building on a State University Campus: \$1,000,000

The BHE recognizes that campuses in both segments vary significantly in physical size, academic scope, geography, and regional economics, and therefore a donation below these thresholds would still be considered a significant contribution to the institution. The BHE will consider extending naming rights for donors making a contribution below these thresholds provided that a justification statement is submitted to the BHE along with the campus approved recommendation. Aggregate donations over time from individual donors shall also be deemed acceptable for meeting threshold levels. Campuses are required to engage the BHE in the vetting of this proposal prior to accepting donations below the above the thresholds or initiating a vote at the campus level.

The Foundation of the respective campus is to be in receipt of the full amount of the donation before a naming right is granted. Exceptions will be considered for future pledges provided that the present value of the pledged amount meets the standard established herein, and a signed agreement reflecting a timeline for receipt is established by the Foundation, the donor, and the campus president.

V. Naming in Recognition

A building may be named in honor of an individual, organization, or group having made a distinguished contribution of service, research, teaching or support to the campus; in honor of an individual, organization, or group having made a distinguished contribution of service or support to the community, the Commonwealth, or the nation. Naming in recognition rights shall be granted by the Board of Higher Education under the expectation that a fundraising campaign to support the institution be conducted in honor of the named recipient. Such fundraising campaigns can include any significant effort to support the institution, such as a campaign to raise funding for an endowed professorship or chair, a general scholarship or fellowship fund, or a building stewardship fund.

Naming a building in honor of an individual shall be consistent with the values and mission of public higher education and shall not give the appearance of a conflict of interest, unsubstantiated recognition, or privilege. It is incumbent upon the nominating campus to conduct a background check sufficient enough in scope to ensure the named individual meets this criteria, however, the Board of Higher Education will provide guidance if needed.

Naming a building in honor of an active public official, including a member of the General Court, Executive Branch, Campus Board of Trustees or Campus President, cannot be made per Massachusetts General Law Chapter 268(A) section 23(b) (2), which prohibits the gifts of substantial value given because of a specific position. This provision does not apply to former state employees.

The Ethics Commission has issued to exceptions to the “significant value threshold” as it pertains to public official. 930 CMR 5.08(a) allows for gifts of substantial value for public employees in recognition of “occasions of professional significance....such as hiring, promotions, and noteworthy accomplishments” and “occasions that terminate a professional relationship, such as retirement, transfer, or resignation”. 930 CMR 5.08(6) allows for “gifts of meritorious public service” or “lifetime achievement” provided that the award is based on work done “in whole or in part” as a public employee, that the award is “part of a program that makes such awards on a regular basis pursuant to established standards developed by the awarding entity.”

VI. Authority to Rescind Naming Rights

The removal of a naming right previously approved by the BHE can be initiated by the BHE, the campus boards of trustees, or the donor. The BHE may vote to rescind a naming right under the following conditions:

- 1) An individual, group, or organization is determined to have acted in a manner that is in violation of Federal and State law, including, but not limited to, the state’s code of ethics, or has acted in a manner that is inconsistent with the institution’s values and mission.
- 2) An individual, group, or organization, fails to comply with payment agreements set forth between the individual, group, or organization and the relevant campus and/or Foundation.

- 3) A donor petitions the BHE for the removal of a naming right provided that the donation has been paid-in-full, is non-refundable, and that the petitioner is the legal custodian of the name in question.

Naming rights approved by the campuses that fall outside of the BHE purview shall be subject to removal by vote of the respective campus board of trustees.

VII. Approval Process

Nominations for all naming opportunities will originate at the campus level and must be approved by both the campus president and the local boards of trustees. The campus-approved proposal shall then be submitted to the BHE's Fiscal Affairs and Administrative Policy (FAAP) Committee for recommendation with final approval by the BHE. The timeline for approval is not to exceed 120 days from the date of submission. The Commissioner of Higher Education may approve a campus proposal if received while under the summer delegation of authority. In exigent circumstances, the Commissioner may also act on requests received in between two regularly scheduled meetings; however, such approvals shall be subject to BHE ratification at the BHE's next regularly scheduled meeting.