



**VIRGINIA COMMONWEALTH
BOARD OF VISITORS
GOVERNANCE AND COMPENSATION COMMITTEE
MAY 13, 2021
James Branch Cabell Library
901 Park Avenue – Room 303
RICHMOND, VIRGINIA
& VIRTUAL**

MINUTES

COMMITTEE MEMBERS PRESENT

Mr. H. Benson Dendy III, *Chair & Vice Rector*
Mr. Peter Farrell
Mr. Todd P. Haymore
Ambassador Carmen Lomellin
Mr. Keith T. Parker, *Rector*

COMMITTEE MEMBERS PRESENT VIRTUALLY

Ms. Pamela K. El, *Vice Chair*
Ms. Alexis Swann

OTHER BOARD MEMBERS PRESENT

Ms. Carolina Espinal
Mr. Edward L. McCoy, *Secretary*
Dr. Tonya Parris-Wilkins
Dr. Shantaram Talegaonkar

COMMITTEE MEMBERS ABSENT

Dr. Gopinath Jadhav

OTHERS PRESENT

President Michael Rao
Ms. Chelsea Gray, *Assistant Secretary and Board Liaison & Executive Assistant to the President*
Ms. Karen Helderman, *Executive Director for Audit and Compliance Services*
Mr. Mike Melis, *University Counsel*
Presidential Cabinet of VCU
VCU students, faculty and staff
Members of the Media

CALL TO ORDER

Mr. H. Benson Dendy III, Chair of the Governance and Compensation Committee, called the meeting to order at 9:58 a.m.

OPEN SESSION ITEMS

Mr. Dendy asked that Mr. Jay Davenport, Vice President for Development and Alumni Relations, present on the action items listed on the agenda.

Mr. Dendy then moved to approve the policy revisions, policy resolution and policy retirements as proposed by Mr. Davenport to be recommended to the full board. The motion was seconded and was approved by a roll call vote:

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. H. Benson Dendy III, Chair	X	
Ms. Pamela K. El, Vice Chair	X	
Mr. Peter Farrell	X	
Mr. Todd P. Haymore	X	
Ambassador Carmen Lomellin	X	
Ms. Alexis Swann	X	
Mr. Keith T. Parker, Rector	X	
Mr. Edward L. McCoy, Secretary	X	
Dr. Tonya Parris-Wilkins	X	
Dr. Shantaram Talegaonkar	X	

A copy of the policies are attached hereto as *Attachment A* and is made a part hereof.

CLOSED SESSION

Mr. Dendy moved that the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University convene a closed session under Section 2.2-3711(A)(1) of the Virginia Freedom of Information Act for discussion of personnel matters, more specifically relating to the performance evaluation and compensation of the President. The motion was seconded and was approved by a roll call vote:

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. H. Benson Dendy III, Chair	X	
Ms. Pamela K. El, Vice Chair	X	
Mr. Peter Farrell	X	
Mr. Todd P. Haymore	X	
Ambassador Carmen Lomellin	X	
Ms. Alexis Swann	X	
Ms. Carolina Espinal	X	
Mr. Keith T. Parker, Rector	X	
Mr. Edward L. McCoy, Secretary	X	
Dr. Tonya Parris-Wilkins	X	

Dr. Shantaram Talegaonkar X

Following the closed session, the public was invited to return to the meeting. Mr. Dendy called the meeting to order. On a motion duly made and seconded the following resolution of certification was approved by a roll call vote:

Resolution of Certification

BE IT RESOLVED, that the Governance and Compensation Committee of Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Committee.

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. H. Benson Dendy III, Chair	X	
Ms. Pamela K. El, Vice Chair	X	
Mr. Peter Farrell	X	
Mr. Todd P. Haymore	X	
Ambassador Carmen Lomellin	X	
Ms. Alexis Swann	X	
Ms. Carolina Espinal	X	
Mr. Keith T. Parker, Rector	X	
Mr. Edward L. McCoy, Secretary	X	
Dr. Tonya Parris-Wilkins	X	
Dr. Shantaram Talegaonkar	X	

All members present responding affirmatively, the resolution of certification was adopted.

ACTION ITEMS

Mr. Dendy then moved to approve the president's contract and compensation as discussed in closed session to be recommended to the full board. The motion was seconded and was approved by a roll call vote:

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. H. Benson Dendy III, Chair	X	
Ms. Pamela K. El, Vice Chair	X	
Mr. Peter Farrell	X	
Mr. Todd P. Haymore	X	
Ambassador Carmen Lomellin	X	
Ms. Alexis Swann	X	
Ms. Carolina Espinal	X	

Virginia Commonwealth University

Board of Visitors

Governance and Compensation Committee May 13, 2021 Minutes

Mr. Keith T. Parker, Rector	X
Mr. Edward L. McCoy, Secretary	X
Dr. Tonya Parris-Wilkins	X
Dr. Shantaram Talegaonkar	X

ADJOURNMENT

There being no further business, Mr. Dendy adjourned the meeting at 11:12 a.m.



ATTACHMENT A

EXECUTIVE SUMMARY OF PROPOSED POLICY: Policy on Gift Acceptance and Administration

New Policy ☐ or Substantive Revision ☒

Policy Type: BOV

Responsible Office: Development and Alumni Relations

Draft Date: 03/15/2021

Initial Policy Approved: March 1994 – *Acceptance and Administration of Contributions*

Revision History: 02/22/2007 – *Acceptance and Administration of Contributions*
09/07/2016 – *Gift Acceptance and Administration*

Governance Process Tracking:

If new BOV policy, enter date and name of President (or designee) approving development of policy: MM/DD/YYYY – Name

If new Administrative policy, enter date and name of President's Cabinet member approving development of policy: Jay Davenport, Development and Alumni Relations

Integrity & Compliance Office Review: 03/15/2021

University Counsel Review: 03/31/2021

Public Comment Posting: 03/31/2021

University Council Academic Affairs and University Policy Committee Review: 04/29/2021

University Council Review: 05/06/2021

President's Cabinet Approval: MM/DD/YYYY

Board of Visitors Approval (if applicable): MM/DD/YYYY

1. Why is this policy being created <input type="checkbox"/> <u>or</u> revised <input checked="" type="checkbox"/> ?	The policy update is adding guidance for gift acceptance, processing and university administration.
2. <u>New policy</u> <input type="checkbox"/> : What are the general points or requirements covered in this policy? <u>or</u> <u>Revised policy</u> <input checked="" type="checkbox"/> : What are the substantive differences between this draft and the current policy?	Substantive differences include: <ul style="list-style-type: none">• Definitions of complex gifts that may present risk in acceptance by the university• Establishment of a Gift Acceptance Committee that may be convened at the direction of the vice president for Development and Alumni Relations to approve the acceptance of complex gifts, as defined by the policy

	<ul style="list-style-type: none"> Procedural guidelines for gift processing and gift management, including donor solicitation instructions and timely gift deposit through DAR
3. Which stakeholder offices or personnel have provided input into this policy draft?	Development and Alumni Relations; Controller's Office; Office of Finance and Budget; Compliance and Integrity Services, General Counsel
4. Which other universities' policies or resources (e.g., laws, regulations, etc.) did you consider when preparing this draft?	<p>Policy on Gift Acceptance and Administration. University Advancement Policies and Procedures (to be retired) A best practices assessment was collected from national peer institutions concerning gift acceptance, complex gifts, and gift processing.</p> <p>Council for the Advancement and Support of Education Counting Standards</p>
5. What is your general assessment of this policy's impact on the university community?	The policy will guide development and fiscal professionals in managing donor contributions received by university departments or through deposit to one of the university's institutionally-related foundations. This policy will provide clear guidelines on the management and acceptability of complex gifts. The additions to the policy are in accordance with state regulations enacted 7/1/20
6. What is your plan to implement this new policy or policy revision (e.g., raise awareness and train relevant audiences and monitor for compliance)?	The policy will be incorporated into fundraiser training, shared across academic fiscal partners, and provided to institutionally-related foundation partners. New policy will be owned by Development and Alumni Relations Office of Donor Relations and Gift and Records Management for compliance in the gift acceptance process.

[DRAFT] Gift Acceptance and Administration

Policy Type: Board of Visitors

Responsible Office: Development and Alumni Relations

Initial Policy Approved: 05/01/1994

Current Revision Approved: 09/07/2016

Policy Statement and Purpose

Virginia Commonwealth University is committed to the success of its fundraising program to develop and enhance programs beyond what is possible with state support and generated revenue. Philanthropic gifts increase access to exceptional education, institutional research and health care.

This policy governs the acceptance of all gifts made to support Virginia Commonwealth University, including cash, publicly traded securities, life insurance, gifts in kind, works of art, gifts of real estate and estate/planned gifts.

- A gift must not be accepted by Virginia Commonwealth University unless there is a reasonable expectation that acceptance of the gift will advance the mission of the university and complies with IRS regulations and applicable state/federal laws.
- The university reserves the right to accept, decline or return a gift. A gift will not be accepted by the university if such acceptance imposes upon the university overly burdensome administrative costs or financial risk.

Should gift criteria become impossible to fulfill or are no longer consistent with the mission of the university, VCU will contact the donor or appointed representatives to alter the gift's criteria.

Noncompliance with this policy could result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question or participates in an investigation is prohibited.

Table of Contents

Who Should Know This Policy	#2
Definitions	#2
Contacts	#4
Policy Specifics and Procedures	#4

Forms	#7
Related Documents	#7
Revision History	#7
FAQ	#7

Who Should Know This Policy _____

All university employees engaged in activities related to development and alumni relations are responsible for knowing this policy and familiarizing themselves with its contents and provisions.

Definitions _____

Affiliated or institutionally-related foundations

VCU has affiliated philanthropic foundations that are separate 501(c)(3) charitable corporations organized to operate for the support of the university, while operating with self-governed boards and bylaws. They accept and invest gifts made in support of the university.

CASE

The Council for Advancement and Support of Education is a global nonprofit association dedicated to educational advancement — alumni relations, communications, development, marketing and advancement services — and shares the goal of championing education to transform lives and society.

Cash gifts

These gifts include currency, credit-card commitments, checks, direct deposits made by any department and payroll deduction arrangements. These gifts can be put to immediate use and/or invested by the university or its affiliated foundations.

Complex gifts

The IRS defines a complex gift as an item that is not reasonably expected to be used to further the organization's exempt purpose (beyond the need for funds) and for which there is no ready market to liquidate the contribution and/or the value of the item is highly speculative or difficult to ascertain.

Current fund

A type of fund that is expendable in the near future for the purposes of advancing the university. Current funds can be either restricted or unrestricted.

Endowed fund

A type of fund containing assets that are invested in perpetuity and can be unrestricted or restricted for a specific purpose, program, or campus unit. In general, there are three types of endowment funds:

- *True endowment funds* are gifts received from a donor with the restriction that the principal is not expendable.

- *Term endowment funds* are gifts for which the donor stipulates that the principal can be expended after a stated period of time or upon the occurrence of a certain event.
- *Quasi-endowment funds, or funds functioning like an endowment*, are internal accounts that have been established by the board to function like an endowment fund but that can be expended at any time at the discretion of the board.

Expendable Funds

Either restricted or unrestricted funds that can be spent by the institution.

Gift

A charitable contribution for the use of a qualified organization. It is voluntary and is made without receiving, or expecting to receive, anything of equal value in return.

Gift Acceptance Committee

A standing committee that confers at the request of the vice president of Development and Alumni Relations to consider and approve the acceptance and/or recognition of complex gifts.

Gift agreement

An agreement between the donor(s) and the university or an affiliated foundation that defines the purpose of the gift, the gift amount, a schedule of contributions and other terms deemed appropriate by either party.

Gift in kind

A noncash donation of materials or long-lived assets other than real and personal property.

Restricted Funds

Funds that contain gifts provided to the university and are subject to legally binding limitations on their use. These limitations are outlined through a gift agreement or institutional award letter. If the university accepts such assets, it must abide by these limitations. Restricted funds are usually classified in one of two ways:

- **Expendable restricted funds:** Restricted current funds that allow the asset to be spent in the normal course of meeting the restriction.
- **Non-expendable endowed funds:** Funds that require that the donated assets be retained for investment purposes in perpetuity. The income from these investments can be designated to a school or unit and can be unrestricted or restricted in purpose.

Restricted Quasi-Endowment Funds: These are expendable restricted funds containing assets designated by the board for long-term investment. The income from these investments is restricted to operating purposes specified by the donor. The board can, at any time, approve expenditure of these invested funds in accordance with the specific donor restrictions.

Unrestricted Funds: Funds containing assets received by the university with no donor restriction on their use and are, therefore, can be spent for any lawful university purpose. The process for fund allocation can be at the discretion of the senior vice president and chief financial officer and appropriate members of the president's cabinet.

Unrestricted Quasi-Endowment Funds: Unrestricted funds containing assets designated by the board for long-term investment. The income from these investments is for unrestricted purposes. The board can, at any time, approve expenditures of these invested funds for unrestricted use.

Contacts

The Office of Development and Alumni Relations (DAR) officially interprets this policy. The Office of Development and Alumni Relations is responsible for obtaining approval for any revisions as required by the policy “Creating and Maintaining Policies and Procedures” through the appropriate governance structures.

Please direct policy questions to the Office of Development and Alumni Relations’ Office of Gifts and Records Management.

Policy Specifics and Procedures

1. Gift Acceptance

The university generally accepts all gifts provided to the university, as long as the terms and conditions comply with the law, regulations and contractual agreements made with foundations, and align with the mission, vision, and values of the university.

Gift Acceptance Committee

Gift Acceptance Committee: purpose, composition, and mandate

The university maintains a standing Gift Acceptance Committee. The committee meets as needed, at the request of the vice president of Development and Alumni Relations to consider and approve the acceptance and/or naming of complex gifts. All complex gifts must be approved by the committee, in consultation with the administering unit, before presentation to the Board of Visitors for final approval. The Gift Acceptance Committee is appointed by the university president or their designee, is staffed by the vice president of DAR and has members from the following offices:

- Vice President for Finance
- Vice President for Academic Affairs
- VCU Integrity and Compliance
- VCU General Counsel
- Development Administration and Operations

Gifts that must be reviewed by the Gift Acceptance Committee

Gifts that meet IRS rules and CASE standards can be accepted by the Office of Development and Alumni Relations at the discretion of the vice president for Development and Alumni Relations, or their designee.

Gifts that fall outside of IRS rules, CASE standards or as described below could create risk and must be reviewed and approved by the GAC **before** acceptance of the gift is communicated to the donor by a university representative. In general, the university will not accept gifts that fall outside of IRS rules.

Minimal risk: these gifts are presented to the GAC only at the discretion of the vice president of Development and Alumni Relations or their designee.

- a. Gifts paid over more than five years
- b. Gifts that could expose the university to adverse publicity
- c. Gifts with restrictive conditions
- d. Planned or testamentary gifts that include life insurance or tangible personal property

Moderate risk

- a. Gifts that fall outside CASE guidelines for campaign counting
- b. Gifts with provisions that require the return of the gift under certain circumstances (other than unspent funds for a specific project)
- c. Gifts with restrictions that are not straightforward (e.g. difficult to award criteria)
- d. Gifts requiring donor control
- e. Gifts that do not meet minimums for expected outcomes
- f. Gifts that are related to the appointment or retention of a specific individual
- g. Gifts that could have real or apparent conflicts of interest for the donor, university officers, or employees
- h. Gifts of real estate that do not include restrictions on use or disposal

Material risk

- a. Gifts (or gifts in kind) valued above \$100,000 that require approval by a vice president of Research, Health Sciences, or Academic Affairs, or gifts that have the potential to influence academic decision-making
- b. Gifts of \$1 million or more that impose a university obligation, excluding gifts for scholarships or academic aid
- c. Gifts of art
- d. Gifts from unknown or unaffiliated foreign entities
- e. Gifts with potential for immediate or future financial and/or administrative burden
- f. Gifts of closely held or nonpublic traded securities
- g. Gifts of ownership in a private business
- h. Gifts of real estate that include restrictions on use or disposal

Referring gifts to the Gift Acceptance Committee

Questions concerning gift acceptability should be referred to the DAR Office of Gifts and Records Management, which, when necessary and in consultation with the vice president for Development and Alumni Relations, will convene the GAC for review of the proposed gift. All complex or nonstandard gifts must be reviewed by the GAC and with the administering unit, for oversight and acceptance. Any requests for special consideration of a gift or exceptional circumstances must be presented to the vice president for Development and Alumni Relations, or their designee, who will convene the GAC.

2. Gift documentation

All gift documents (e.g. checks, wills, deferred-giving documents) must name Virginia Commonwealth University, or the VCU Foundation, the Medical College of Virginia Foundation, the VCU School of Business Foundation, the VCU College of Engineering Foundation, the VCU Real Estate Foundation or another university affiliated foundation, named endowment fund, school or department as the recipient for the benefit of Virginia Commonwealth University or the VCU Health System.

Gifts of any amount that establish an endowed fund, or are restricted to a specific use, require a gift agreement or award letter. Campus partners must use gift agreement templates approved by the vice president for Development and Alumni Relations. Gift agreement guidelines and templates are available from the DAR office or one of the university affiliated foundations.

Gift credits

Cash gifts are credited at full value as of the date deposited by the university or foundation. Gifts of foreign currency are reported at the exchange rate on the gift credit date. Gifts made by credit card, even though considered cash gifts, are credited at the time they are processed and are applied to the donor's card account. For gifts mailed to the university or an university affiliated foundation, the legal date of transfer is the postmark date. In accordance with gift-processing procedures, however, gifts are credited on the date they are deposited, with the only exceptions being the end of the calendar year (December 31) and the end of the fiscal year (June 30).

Receipt of gifts and gift processing

All gifts, whether gifts are solicited by a campus partner or DAR, must be processed through the Office of Gifts and Records Management to ensure accurate recording, receipting and reporting.

To ensure proper recording, receipting, and reporting:

- All solicitations must have the remittance address as the GRM campus box.
- All gifts agreements and contributions should be sent to the GRM campus box.
- Gifts mailed to a university unit/department must be hand-delivered to GRM or dropped in one of the GRM drop boxes within 24 hours of receipt.

GRM produces the official tax receipts on behalf of the university and the university affiliated foundations. Thank you letters and gift acknowledgements sent by campus partners should not include a dollar value as the donor could misconstrue such letters as tax receipts. The university ensures that separate identifiable accounts are established in the university's database of record to record each type of fund. The university documents the limitations on restricted funds at the time they are received.

Forms

Gift agreement templates are available to development personnel with access to the DAR intranet on www.support.vcu.edu, from one of the university affiliated foundations, or by email at giftagreement@vcu.edu

Related Documents

1. VCU Policy: [Cash Receipting](#)
2. VCU Policy [Relationships with University Related Foundations](#)
3. VCU Policy: [Development and Alumni Relations' Activities](#)
4. VCU Policy: [Art on Campus](#)
5. [The Donor Bill of Rights \(External Link\)](#)
6. [Quasi-Endowment Funds and the Investment of Funds Information](#)

Revision History

This policy supersedes the following archived policies:

Approval/revision date	Title
March 1994	Acceptance and Administration of Contributions
Feb. 22, 2007	Acceptance and Administration of Contributions
May 6, 2009	General Policy Statement on Gift Acceptance
Sept. 7, 2016	Acceptance and Administration of Gifts

FAQ

There are no FAQ associated with this policy and procedures.



EXECUTIVE SUMMARY OF PROPOSED POLICY: Policy on University Recognition through Naming

New Policy ☐ or Substantive Revision ☒

Policy Type: BOV

Responsible Office: Development and Alumni Relations

Draft Date: 03/15/2021

Initial Policy Approved: 05/25/2010

Revision History: University Naming (local policy approved 1/2013)

Governance Process Tracking:

If new BOV policy, enter date and name of President (or designee) approving development of policy: MM/DD/YYYY – Name

If new Administrative policy, enter date and name of President's Cabinet member approving development of policy: 03/15/2021 Jay Davenport, VP, Development and Alumni Relations

Integrity & Compliance Office Review: 03/15/2021

University Counsel Review: 03/29/2021 and 04/05/2021

Public Comment Posting: 04/07/2021

University Council Academic Affairs and University Policy Committee Review: 04/29/2021

University Council Review: MM/DD/YYYY

President's Cabinet Approval: MM/DD/YYYY

Board of Visitors Approval (if applicable): MM/DD/YYYY

1. Why is this policy being created <input type="checkbox"/> <u>or</u> revised <input checked="" type="checkbox"/> ?	The policy is being reviewed and updated for accuracy and guidance pertaining to allowable name recognition of physical and non-physical university properties.
2. <u>New policy</u> <input type="checkbox"/> : What are the general points or requirements covered in this policy? <u>or</u> <u>Revised policy</u> <input checked="" type="checkbox"/> : What are the substantive differences between this draft and the current policy?	Substantive differences include: <ol style="list-style-type: none">1. updated language explaining how program, schools, physical spaces and funds are named by the BOV in recognition for philanthropy or extraordinary service2. new expiration periods for honorary or donor recognition3. process and conditions for removing name recognition, in accordance with presidential and BOV powers

	<ol style="list-style-type: none"> 4. restrictions on donor recognition with regard to revocable planned gifts or gifts paid over a period of pledge payments 5. Updated minimum endowment gift levels to qualify for donor recognition, apart from levels approved for capital projects that are approved by the BOV on a case-by-case basis 6. the role of a newly established Gift Acceptance Committee in accepting complex gifts that may result in the recommendation of recognition through naming
3. Which stakeholder offices or personnel have provided input into this policy draft?	Development and Alumni Relations, Compliance and Integrity Services, Office of Administration, Office of Facilities Management, Committee on Commemoration and Memorials, VCU affiliated foundation executives
4. Which other universities' policies or resources (e.g., laws, regulations, etc.) did you consider when preparing this draft?	Policy on Gift Acceptance. A best practices assessment was collected from national peer institutions concerning naming opportunities, donor recognition and removal of such recognition from schools, facilities, programs, current funds and endowed funds. All Tier 3 state-supported universities in Virginia named recognition levels for endowment minimums.
5. What is your general assessment of this policy's impact on the university community?	The policy will guide development professionals in working with university donor constituencies on donations that may result in donor recognition. This policy will provide clear guidelines to the university community when developing proposals for the recognition of extraordinary contributors to VCU. The updated endowment minimums allow flexibility for the wide variety of schools at the university.
6. What is your plan to implement this new policy or policy revision (e.g., raise awareness and train relevant audiences and monitor for compliance)?	The policy will be incorporated into fundraiser training, shared across academic partners, and provided to institutionally-related foundation partners. Revised policy will be owned by the Office of Development and Alumni Relation for compliance in the data management process.



[DRAFT] Policy on University Recognition through Naming

Policy Type: Board of Visitors

Responsible Office: Development and Alumni Relations

Initial Policy Approved: 05/25/2010

Current Revision Approved: 01/2013 (revised as local policy)

Policy Statement and Purpose

This policy establishes guidelines for the naming of physical and nonphysical entities at Virginia Commonwealth University. The VCU Board of Visitors approves naming opportunities to honor individuals, families or organizations who make extraordinary contributions through service or philanthropy. The Board of Visitors may delegate authority to approve honorific recognition of non-physical entities other than a college, school, department or degree program to the president or the president's designee. The Board of Visitors can also approve exceptions to this policy as requested by the president and, as described in this policy, can remove a designated name from a physical or nonphysical entity.

This policy's overarching objectives are to create a transparent system through which naming decisions are consistent and timely, respect the expectations and intentions of all parties, and do not conflict with the university's values.

Noncompliance with this policy could result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation is prohibited against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation.

Table of Contents

Who Should Know This Policy	#1
Definitions	#2
Contacts	#2
Policy Specifics and Procedures	#3
Forms	#5
Related Documents	#5

Revision History.....	#5
FAQ.....	#5

Who Should Know This Policy

All university employees engaged in development, facilities planning, and university athletics and those who accept and administer named funds should know this policy and familiarize themselves with its contents and provisions.

Definitions

Gift Acceptance Committee: A group of university administrators convened by the vice president of Development & Alumni Relations (DAR) to advise the president of VCU. See the VCU Policy on Gift Acceptance and Administration in Related Documents below.

Gift agreement: An agreement between the donor(s) and the university or an affiliated foundation that defines the purpose of the gift, the gift amount, a schedule of contributions and other terms deemed appropriate by either party.

Irrevocable pledge: Legally binding promise to pay a set dollar amount over a specific time period with cash or negotiable securities without conditions or the expectation of return of funds. This does not include donor advised funds, insurance pay-outs, planned gifts, or revocable trusts.

Matching gift: Donation made by a business in response to the voluntary contributions of its employee or other eligible participants. For the purpose of stewardship, the employee donor is recognized for the sum total of the gift and the matching employer contribution.

Naming opportunity: A specific donor recognition level bestowed on a physical entity, academic program, center, institute, department or any other area of the university or upon an endowment or other fund.

Nonphysical entity: A college, school, department, institute, center, program, teaching award and/or prize; academic or nonacademic position, including but not limited to deanship, professorship, directorship and/or lectureship; or student support, including but not limited to scholarship, fellowship and/or other student award.

Physical entity: A building or facility, discrete components of a building (wings, lecture halls, auditoriums, foyers, classrooms, laboratories, studios, offices, conference rooms, etc.), athletic facilities and fields, residence halls, campus spaces, fountains, parking facilities and/or other real property. This can also include collections of significant size and continuing educational, scientific, historic, artistic or cultural value owned, wholly or partially, by the university or by a VCU-affiliated foundation, if used by the university.

Contacts

The Office of Development and Alumni Relations (DAR) and the Division of Administration officially interpret this policy. DAR is responsible for obtaining approval for any revisions as required by the policy *Creating and Maintaining Policies and Procedures* through the appropriate governance structures. Direct policy questions to the Office of Development and Alumni Relations or the Office of Facilities Management, which oversees facilities on all campuses of Virginia Commonwealth University.

Policy Specifics and Procedures

Honorific name recognition

The majority of university naming recognition is a result of irrevocable philanthropic commitment. However, under certain circumstances, the university can honor individuals for extraordinary and lasting contribution to the university or society.

The VCU Committee on Commemoration and Memorials, the university Gift Acceptance Committee or cabinet can recommend to the president that a physical or non-physical entity be named in honor of an individual whose extraordinary contribution to the university or society aligns with VCU's values. If the president agrees with the recommendation, the president brings the honorific name recommendation to the Board of Visitors for approval or, if approval authority is delegated by the Board of Visitors, the president or the president's designee will act on the recommendation. A physical or nonphysical entity cannot be named to honor active members of the university faculty or staff, sitting members of the Board of Visitors, the sitting governor of Virginia, or current elected officials and state employees concerned with the functions, oversight or control of the university.

Philanthropic name recognition

The Board of Visitors approves all donor recognition levels before these opportunities are shared with prospective donors. The vice president of Development and Alumni Relations can convene the Gift Acceptance Committee to review complex naming opportunities or situations. The Board of Visitors sets the minimum recognition levels for establishing endowment funds, at the recommendation of the vice president of Development and Alumni Relations, no less than once per decade.

The university honors philanthropic contributions by naming physical and nonphysical entities for the lesser of 75 years or until the entity exceeds its useful life. The donor entity can have a first right of refusal to maintain the name, if applicable.

Gift levels to establish endowed funds

General scholarship fund (talent, merit, need)	\$25,000
Named student scholarship (with restrictions)	\$50,000
Lectureship, department or research fund	\$100,000
Graduate student or postdoctoral fellow	\$250,000
Junior faculty fellowship/term professorship	\$500,000
Discovery Innovation Fund	\$500,000-\$1M
Departmental professorship	\$750,000
Research professorship	\$1.25M
Faculty chair	\$1M-\$3M
Department chair	\$2M-\$3M
Research chair	\$3M-\$4M
Deanship	\$4-\$10M
Department, center or institute	\$5-\$20M
Schools or colleges	\$20-\$200M

Minimum gift level to establish a current, non-endowed fund: \$25,000

Cash gifts smaller than \$25,000 do not generate permanent name recognition, but these donors can be recognized on walls, plaques, bricks, furniture or on perishable items, such as trees and small gardens .

Name recognition on physical and nonphysical entities

Deans and university leadership can submit requests, in partnership with the Office of Facilities Management, to set donor recognition levels for new and existing physical and non-physical entities. Upon acceptance of an irrevocable gift, the president, or designee, then recommends that the Board of Visitors honor the donor by naming a physical or nonphysical entity on any VCU campus, or the president or the president's designee approves the naming if the Board of Visitors has delegated such authority. All gift agreements must state that donor recognition through naming requires approval by the Board of Visitors or by the president or the president's designee as delegated. Should an honoree's name change, the university is not obligated to change the name but, in its sole discretion, can change the name at the donor's request, potentially at the donor's expense.

The following considerations determine appropriate donor recognition:

- Completed gift agreements must outline payment terms if it is not an outright gift and must clearly explain that donor recognition requires Board of Visitors approval.
- At the discretion of the president, VCU initiates donor recognition, including signage, once 51% of an irrevocable pledge is received.
- For contributions that include a corporate matching gift for recognition to proceed, the donor must agree to fulfill the pledge should the corporation not pay the expected amount or not agree to donate to the same fund.
- Donor recognition cannot result from gifts already made and recognized for other purposes.
- Name recognition lasts only for the useful life of a physical entity or for 75 years, whichever is shorter, unless otherwise specified in the gift agreement.
- Sponsorships restrict name recognition only for the set period of time of that sponsorship.

Removal of name recognition

The VCU Committee on Commemoration and Memorials, the university's Gift Acceptance Committee or administrative leadership can recommend removal of name recognition to the president. The Board of Visitors, in its sole discretion, can remove name recognition of a physical or non-physical entity if:

- The entity ceases to exist in a functional state, exceeds its useful life or changes usage or location.
- The name recognition reflects negatively on the university's reputation or standing.
- The name recognition ceases to be consistent with the moral or educational values of the university.

The Office of Development and Alumni Relations is responsible for tracking all gifts and donor recognition in the development and alumni database of record.

Forms

Gift agreement templates are available to university development personnel on the internal DAR intranet or on the university's institutionally-related foundation websites. Current forms are also available by emailing giftagreement@vcu.edu

Related Documents

[VCU Policy: Development and Alumni Relations Activities](#)

VCU Policy: *Gift Acceptance and Administration*

Revision History

This policy supersedes the following archived policies:

Approval/Revision Date	Title	
May 2010	Advancement Policies and Procedures	[BOV policy]
January 2013	<i>Policy on naming university facilities and programs</i>	[DAR local policy]

FAQ

1. How long is a program or structure assigned a name?

Naming recognition lasts for the lesser of the duration approved by the Board of Visitors or until the physical entity reaches its useful life, whichever is lesser.

2. Can a donor be recognized for a gift-in-kind of large value?

The vice president of DAR can recommend recognition for a substantial in-kind gift, with specific restrictions and time periods.

3. Can a donor contribute less than \$50,000 to a scholarship endowment?

Yes, a donor or group of donors may contribute to an unrestricted scholarship at the endowment level of \$25,000. The scholarship can be for talent, merit, or need with no restrictions beyond the school.

4. Can a donor be recognized for a planned gift?

Only an irrevocable planned gift can be considered for name recognition, with conditions set by the vice president of Development and Alumni Relations and, at the discretion of the president, when 51% of the total gift is received.

**VIRGINIA COMMONWEALTH UNIVERSITY
BOARD OF VISITORS
NAMING AUTHORITY
UNIVERSITY RECOGNITION THROUGH NAMING POLICY**

WHEREAS, the Board of Visitors (“the Board”) on May 14, 2021 adopted the revised University Recognition through Naming Policy (“the Policy”) as set forth in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the Policy states that upon acceptance of an irrevocable gift, the president, or designee, then recommends that the Board honor the donor by naming a physical or nonphysical entity on any VCU campus; or the president or the president’s designee approves the naming if the Board has delegated such authority. All gift agreements must state that donor recognition through naming requires approval by the Board or by the president or the president’s designee as delegated; and

WHEREAS, the Policy further states that the Board may delegate authority to approve honorific recognition of non-physical entities other than a college, school, or degree program to the president or the president’s designee; and

WHEREAS, the Policy defines non-physical entities as “[a] college, school, department, institute, center, program, teaching award and/or prize; academic or nonacademic position, including but not limited to deanship, professorship, directorship and/or lectureship; or student support, including but not limited to scholarship, fellowship and/or other student award.”

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors of Virginia Commonwealth University delegates its honorific naming authority as identified under the University Recognition through Naming Policy to the President of Virginia Commonwealth University, or a designee identified by the President, for non-physical entities other than a college, school, center, department, or degree program.

RESOLVED, that this resolution shall before take effect immediately.



EXECUTIVE SUMMARY OF PROPOSED POLICY: Policy on Scholarships and Fellowships

New Policy ☐ or Substantive Revision ☒

Policy Type: Administrative

Responsible Office: Development and Alumni Relations

Draft Date: 03/15/2021

Initial Policy Approved: 05/25/2010

Revision History: Scholarships and Fellowships Policy (local policy approved 1/2013)

Governance Process Tracking:

If new BOV policy, enter date and name of President (or designee) approving development of policy: MM/DD/YYYY – Name

If new Administrative policy, enter date and name of President's Cabinet member approving development of policy: MM/DD/YYYY - Name

Integrity & Compliance Office Review: 03/15/2021

University Counsel Review: 03/15/2021

Public Comment Posting: 04/07/2021

University Council Academic Affairs and University Policy Committee Review: 04/29/2021

University Council Review: 05/06/2021

President's Cabinet Approval: MM/DD/YYYY

Board of Visitors Approval (if applicable): MM/DD/YYYY

1. Why is this policy being created <input type="checkbox"/> <u>or</u> revised <input checked="" type="checkbox"/> ?	The policy is being reviewed and updated for accuracy and guidance pertaining to allowable restrictions and designations for privately-funded scholarships and fellowships.
2. <u>New policy</u> <input type="checkbox"/> : What are the general points or requirements covered in this policy? <u>or</u> <u>Revised policy</u> <input checked="" type="checkbox"/> : What are the substantive differences between this draft and the current policy?	Substantive differences include new language and guidance for gifts that address opportunity, need, and talent. VCU does not accept gifts restricting eligibility in a manner that unlawfully discriminates against individuals. The policy explains if scholarship criteria become unlawful, impracticable, impossible to fulfill, wasteful, or no longer consistent with the university programs, activities or mission, VCU will contact the donor or appointed representatives to alter the scholarship criteria.

3. Which stakeholder offices or personnel have provided input into this policy draft?	Office of Strategic Enrollment Management, General Counsel, Compliance and Integrity Services, Division for Inclusive Excellence
4. Which other universities' policies or resources (e.g., laws, regulations, etc.) did you consider when preparing this draft?	VCU Policy on Scholarship Management, Strategic Enrollment Management. A best practices assessment was collected from national peer institutions concerning scholarship restrictions, especially based on protected class.
5. What is your general assessment of this policy's impact on the university community?	The policy will guide development professionals and scholarship management coordinators in the creation and fulfillment of privately-funded scholarships and fellowships.
6. What is your plan to implement this new policy or policy revision (e.g., raise awareness and train relevant audiences and monitor for compliance)?	The policy will be incorporated into fundraiser training, shared across Financial Aid partners, and provided to affiliated foundation partners. New policy will be owned by Development and Alumni Relations, Office of Gift and Records Management for compliance in the gift agreement process and donor criteria tracking.

Scholarship and Fellowship Requirements

Policy Type: Administrative

Responsible Office: Development and Alumni Relations

Initial Policy Approved: 05/25/2010

Current Revision Approved: 01/01/2013

Policy Statement and Purpose

The purpose of this policy is to clarify the requirements to accept and award scholarship and fellowship funds (collectively referred to as “scholarships” throughout). In alignment with VCU’s mission, and to increase access to education and training, funding opportunities are designed to draw from a diverse and broad pool of applicants. All scholarship opportunities are intended to meet current and evolving student needs.

The Office of Development and Alumni Relations ensures that prohibited or overly restrictive criteria, as such restrictions can limit the pool of potential recipients and are contrary to the university’s intent, are not imposed. Minimum funding levels to establish endowments and related donor recognition are subject to appropriate approval by the Board of Visitors and the university president. Scholarship funds can be held in trust by one of the university’s affiliated foundations in accordance with operating agreements to ensure the same compliance levels.

This policy applies to all scholarships, current and endowed, benefitting VCU recipients, regardless of which campus partner administers the award. This policy does not govern scholarships administered by nonuniversity entities or funded through institutional resources.

Noncompliance with this policy could result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question or participates in an investigation is prohibited.

Table of Contents

Who Should Know This Policy	#2
Definitions	#2
Contacts	#2

Policy Specifics and Procedures	#3
Forms	#4
Related Documents	#4
Revision History	#4
FAQ	#5

Who Should Know This Policy

All university employees engaged in development and alumni relations activities and all employees who administer scholarships are responsible for knowing this policy and familiarizing themselves with its contents and provisions.

Definitions

Affiliated or institutionally related foundations

VCU has affiliated philanthropic foundations that are separate 501(c)(3) charitable corporations organized to operate for the support of the university, while operating with their own self-governed boards and bylaws. They accept and invest gifts made in support of the university.

Fellowship

A competitive, short-term funding opportunity for graduate study, scholarly research, or professional development.

Gift agreement

An agreement between the donor(s) and the university or an affiliated foundation that defines the purpose of the gift, the gift amount, a schedule of contributions and other terms deemed appropriate by either party.

Nonuniversity entities

Foundations, corporations and organizations that administer financial grants directly to students or fellows at Virginia Commonwealth University.

Scholarship

A grant of financial aid awarded to a student for the purpose of payment of tuition or other costs associated with education.

Contacts

The Office of Development and Alumni Relations officially interprets this policy. The Office of Development and Alumni Relations is responsible for obtaining approval for any revisions as required by the policy [Creating and Maintaining Policies and Procedures](#) through the appropriate governance structures. Please

direct policy questions to the Office of Development and Alumni Relations' executive director of Donor Relations and Events or to the Office of Financial Aid.

Policy Specifics and Procedures

Scholarship funds can be either for the general purposes of the university or for the specific use of one of its colleges, institutes, centers, departments, programs or units. While the university's preference is for unrestricted gifts, a donor often has complex intentions for making a gift to VCU, including furthering a particular goal or supporting a particular purpose. All scholarship criteria must align with the university's mission and this policy. Below are common examples of gifted funds and the requirements for compliance:

1. VCU accepts private donations to fund scholarships that are awarded based on any of the following:
 - **Academics:** Merit (as defined by the university or campus partner), major, area of study and/or high school or college GPA, or entry type (e.g. freshman/transfer).
 - **Financial attributes:** Need, as determined by the VCU Office of Financial Aid.
 - **Demographics:** Characteristics of the student or the student's background such as residency in a particular geographic area, graduation from a particular high school or school district, state of residence, first-generation student, single-parent household, household size or number of family members in college at the same time.
 - **Certain experiences:** Demonstrated actions of the student such as fluency in a primary language other than English, demonstrated commitment to working with historically underprivileged or underrepresented populations in specific disciplines, student activities or involvement on campus, or having overcome personal challenges.
2. VCU does not accept gifts restricting eligibility in a manner that unlawfully discriminates against individuals. Scholarships with narrowly-tailored criteria may in some instances address underrepresentation of a specific population as documented by national, regional and/or institutional data.
3. All privately-funded scholarships and fellowships administered by the university are documented using the gift agreement template available on the DAR website. Modification to criteria can be made only with the written consent of the donor (or donor representative), the university, and if the appropriate foundation, if applicable.
4. Unless otherwise stated in the gift agreement, scholarships are available only to Virginia Commonwealth University recipients.
5. Established funding to support student scholarships cannot condition funding on a certain action by the university.
6. After a gift agreement is final, a donor no longer retains explicit or implicit control over the scholarship, such as selecting a recipient, serving on a committee to select a recipient, dictating the number of awards or award

amounts, requiring the recipient to work or providing any direct or indirect benefit or future benefit to the donor.

7. Should scholarship criteria become unlawful, impracticable, impossible to fulfill, wasteful, or no longer consistent with the university programs, activities or mission, VCU contacts the donor or appointed representatives to alter the scholarship criteria.

Forms

Gift agreement templates are available to university development employees with access to the DAR intranet. To gain access, please contact giftagreement@vcu.edu, your unit's development office, or one of the university's affiliated foundations.

Related Documents

1. VCU Policy: [Scholarship Management](#)
2. VCU Policy: [Preventing and Responding to Discrimination](#)
3. VCU Policy: [Development and Alumni Relations Activity](#)
4. VCU Policy: [VCU notice of nondiscrimination, equal opportunity and affirmative action](#)
5. [Virginia Human Rights Act \(VHRA\): Va. Code Ann. §§ 2.2-3900 to 2.2-3903](#)

Revision History

This policy supersedes the following archived policies:

Approval/revision date	Title
May 2009/May 25, 2010	University Advancement Policies and Procedures 4.1 Scholarships for Undergraduate Students and Fellowships for Graduate Student [BOV policy]
January 2013	Policy on Scholarships and Fellowships [DAR local policy]

FAQ

1. **How can other universities give scholarships based on race or gender or other protected classes but VCU cannot?**

Some universities rely on independent private foundations to administer scholarships without involvement by the university. It is also possible for a university to pool scholarships and offset

restricted programs with unrestricted funds, so the overall effect is non-discriminatory. Other universities could have historical data to support that neutral criteria are not effective in achieving diversity goals. If VCU departments or donors have interests in achieving greater diversity in specific programs or disciplines, an evaluation of institutional data and university goals would be the first step.

2. If a donor would like to create a scholarship to benefit a specific group of students what are the options for the donor?

Donors have many options to make a significant impact in the area of the donor's interest. VCU has a diverse student population who can benefit from scholarships based on financial need or status as a first generation in the student's family to attend a higher education institution. VCU's deeply ingrained values of diversity, inclusion and equity ensure a climate in which individuals of differing cultural backgrounds, identities, abilities and life experiences are embraced, engaged and empowered to excel and succeed. Scholarship criteria can address the donor's area of interest by promoting research or service in a specific field, characteristics of overcoming disadvantage, or geographic origin or service. Some examples are below:

- The scholarship is awarded to a student with demonstrated interests or research in the Latino heritage.
- The donor desires that when awarding this scholarship special consideration be given for students who have demonstrated experience in or a commitment to working with the African American community.
- The donor desires that the fund be used to assist students who have demonstrated a commitment to the advancement of women in underrepresented fields or disciplines.
- The donor desires that when awarding this scholarship, priority should be given for students who have overcome obstacles such as socioeconomic or educational disadvantage or are first generation in their family to attend college.
- The donor desires that priority be given to students who have resided in [a rural Virginia county] or demonstrated a commitment to working with residents in that county.

Contacting DAR ensures you are put in touch with the appropriate specialist to help with a gift to VCU. The general phone number is 804-828-0880 and email is giving@vcu.edu.

3. Can VCU accept a gift or award with the intent to achieve diversity within the student body?

Scholarships intended to achieve institutional diversity must be neutral with regard to all protected classes. Such neutral criteria might include diverse experiences or socioeconomic backgrounds. An example of an acceptable scholarship criteria to achieve diversity:

- The purpose of this scholarship is to support educational diversity at the university consistent with its mission and admissions policy. Therefore, it is the donor's intent to consider all highly qualified students in an inclusive and broad spectrum of characteristics and categories.

Exceptions, as explained in Question 1.

4. What if a donor wants to limit an award to individuals from certain countries or based upon alienage?

Discrimination based on national origin or ethnicity is prohibited. Acceptable criteria related to a particular region of the world would be a demonstrated interest or research in the culture of a certain country.

5. Why is it possible to designate athletic scholarships by gender?

Athletic scholarships, within certain parameters, are an exception in accordance with Title IX, which requires that female and male student-athletes receive athletics scholarship dollars proportional to their participation.

6. A donor wants to make a gift or scholarship award based upon a person's religious beliefs. Can we do that?

Discrimination based on religion is prohibited. Nonreligious criteria could closely match with the donor's intent. For example:

- Although not specific criteria of the award, the award is intended to recognize and support students who have shown an interest or have participated in outreach or service learning work in partnership with a faith-based organization.



EXECUTIVE SUMMARY OF PROPOSED POLICY: Policy on Endowed Faculty Chairs and Professorships

New Policy ☐ or Substantive Revision ☒

Policy Type: Administrative

Responsible Office: Development and Alumni Relations

Draft Date: 03/15/2021

Initial Policy Approved: 05/25/2010

Revision History: Scholarships and Fellowships Policy (local policy approved 1/2013)

Governance Process Tracking:

If new BOV policy, enter date and name of President (or designee) approving development of policy: MM/DD/YYYY – Name

If new Administrative policy, enter date and name of President's Cabinet member approving development of policy: MM/DD/YYYY - Name

Integrity & Compliance Office Review: 03/21/2021

University Counsel Review: 03/31/2021

Public Comment Posting: 03/17/2021

University Council Academic Affairs and University Policy Committee Review: 04/29/2021

University Council Review: 05/06/2021

President's Cabinet Approval: MM/DD/YYYY

Board of Visitors Approval (if applicable): MM/DD/YYYY

1. Why is this policy being created <input type="checkbox"/> <u>or</u> revised <input checked="" type="checkbox"/> ?	The policy is being reviewed and updated for accuracy and guidance pertaining to allowable use and designations for privately-funded faculty endowments.
2. <u>New policy</u> <input type="checkbox"/> : What are the general points or requirements covered in this policy? <u>or</u>	Substantive differences include new language and guidance for gifts that support faculty activities. The policy explains if endowment criteria become impracticable or impossible to fulfill, VCU will contact the donor or appointed representatives to alter the criteria. The policy also states that all endowment funds require an annual report on use.

Revised policy <input checked="" type="checkbox"/>: What are the substantive differences between this draft and the current policy?	
3. Which stakeholder offices or personnel have provided input into this policy draft?	General Counsel, Compliance and Integrity Services, Office of the Provost, VCU School of Medicine
4. Which other universities' policies or resources (e.g., laws, regulations, etc.) did you consider when preparing this draft?	Policy on Gift Acceptance and Administration. A best practices assessment was collected from national peer institutions concerning scholarship restrictions, especially based on protected class.
5. What is your general assessment of this policy's impact on the university community?	The policy will guide development professionals and fiscal administrators in the creation and fulfillment of privately-funded professorships and chairs.
6. What is your plan to implement this new policy or policy revision (e.g., raise awareness and train relevant audiences and monitor for compliance)?	The policy will be incorporated into fundraiser training, shared across faculty affairs personnel, and provided to institutionally-related foundation partners. New policy will be owned by Development and Alumni Relations Gift and Records Management for compliance in the gift agreement process.



VCU

Policy on Endowed Faculty Chairs and Professorships

Policy Type: Board of Visitors

Responsible Office: Development and Alumni Relations

Initial Policy Approved: 03/01/2001

Current Revision Approved: 05/25/2010

Policy Statement and Purpose

This policy provides requirements for the creation and administration of endowed faculty funds. These funds must adhere to state and federal laws, align with the mission of the university and meet the current and future needs of Virginia Commonwealth University. This policy applies to all endowed funds that support faculty at the university, regardless of the college/school/unit administering the fund.

Endowment fund minimums and named gift opportunities are subject to approval by the Board of Visitors and the university president. Endowed faculty funds are managed by one of the university's affiliated foundations. With approval from the university president and Development and Alumni Relation, schools and units may establish higher thresholds for named funds where necessary to ensure that the fund produces income sufficient to support the requisite academic activities.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

Table of Contents

Who Should Know This Policy	#2
Definitions	#2
Contacts	#2
Policy Specifics and Procedures	#2
Forms	#3
Related Documents	#3
Revision History	#4

Who Should Know This Policy

All university employees engaged in development and alumni relations activities and all employees who accept and administer these funds are responsible for knowing this policy and familiarizing themselves with its contents and provisions.

Definitions

Affiliated or institutionally-related foundations

VCU has affiliated philanthropic foundations that are separate 501(c)(3) charitable corporations organized to operate for the support of the university, while operating with self-governed boards and bylaws. They accept and invest gifts made in support of the university.

Endowed faculty funds

Endowed funds designated by a donor to support faculty excellence including deanships, distinguished chairs, chairs, distinguished professorships, university professorships, departmental professorships and junior faculty endowments.

Gift agreement

An agreement between the donor(s) and the university or an affiliated foundation that defines the purpose of the gift, the gift amount, a schedule of contributions and other terms deemed appropriate by either party.

Contacts

The Office of Development and Alumni Relations officially interprets this policy. The Office of Development and Alumni Relations is responsible for obtaining approval for any revisions as required by the policy [Creating and Maintaining Policies and Procedures](#) through the appropriate governance structures. Please direct policy questions to the Office of Development and Alumni Relations' executive director of donor relations and events.

Policy Specifics and Procedures

1. Allowable expenses

- a. With prior approval by the unit's academic leader and/or the signature authority of the endowed fund, income from the endowed faculty fund must support related costs such as salary, research or academic needs of the holder.
- b. Expenditures must be made in accordance with the gift agreement and university policy.

- c. Physical materials purchased with income from university endowments are the property of the university.
- d. Related expenses directly associated with the search and recruitment of named chairs or professors can be charged to the endowment when the position is vacant.

2. Establishment of faculty funds

New endowed funds must be established:

- a. Consistent with the policies and practices of the university's affiliated foundations and, if applicable, approved by VCU's Gift Acceptance Committee.
- b. Consistent with the mission of the university and existing strategic plans of the university, school or unit and may not make excessive demands on the university, school, unit or a department or program.
- c. Consistent with the principles of Academic Freedom.
- d. Using an approved gift agreement.
- e. Contingent upon receipt of full funding by a specified closing date as outlined in the gift agreement, unless there is a commitment to complete the funding by bequest or similar deferred gift for which there can be no predetermined termination date.

For an estate gift directed to support an endowed chair or professorship, the value of the gift at the time of receipt must meet the approved endowment minimums for the donor-designated purpose, or an alternate purpose must be designated, unless there was prior approval by the president at the time the gift agreement was finalized.

Bequests that are not compliant with university or foundation policy at the time they are realized are reviewed on a case-by-case basis by DAR, the applicable university-affiliated foundation and appropriate academic unit. If needed, the vice president can convene the Gift Acceptance Committee to form or approve a recommendation. Modifications can be made only with the written consent of the donor, the applicable university-affiliated foundation and the university and are subject to Board of Visitors' approval.

3. Adjustments to previously-established endowed faculty funds

- a. The elevation of fund category, e.g. from endowed professorship to endowed chair, is permitted at the request of the dean and approval by the Board of Visitors
- b. Any adjustment should be noted to Development and Alumni Relations through its Office of Donor Relations and Events for tracking and reporting purposes

4. Management and reporting of endowed faculty funds

- a. Donors cannot retain any explicit or implicit control over the use of their endowed funds, including selection of recipients, after acceptance by the university or university affiliated foundation

- b. Endowed faculty appointments are the purview of the Office of the Provost and Office of the Vice President for Health Sciences, subject to the established procedures of faculty appointment.
- c. Existing named funds that met established minimum contribution thresholds at inception can continue at the approved named level.
- d. The respective dean and appropriate vice president/provost must review unassigned endowed faculty funds bi-annually.
- e. In the event a fully funded professorship remains vacant for a period of three years or more, or in the event that the professorship's accumulated income exceeds five years of payout, the dean, vice president and university affiliated foundation must review the fund's terms and administrative history to ascertain the reason for the accumulation and must take appropriate corrective action consistent with the terms of the originating gift agreement. Such action could include:
 - i. Implementing a new expenditure plan designed to fill the professorship and/or to utilize the payout fully.
 - ii. Redesignating the professorship and/or fund purpose, following consultation with and approval of the donor.
 - iii. Seeking legal means for redesignation of the professorship and/or fund purpose, if the donor is unavailable.
- f. Faculty holding endowed appointments must provide a brief year-end report of activities associated with the endowed fund to DAR.

Forms

Gift agreement templates are available to university development employees with access to the DAR intranet. To gain access, please contact giftagreement@vcu.edu, your unit's development office, or one of the university affiliated foundations.

Related Documents

1. VCU Policy: [*Private Support for Endowed Chairs and Professorships*](#)
2. VCU Policy: *Gift Acceptance and Administration*
3. VCU Policy: [*University Recognition through Naming*](#)
4. AAUP [*Statement of Principles of Academic Freedom and Tenure*](#)

Revision History

This policy supersedes the following archived policies:

Approval/Revision Date	Title
03/01/2001	<i>Policy on Private Support for Endowed Chairs and Professorships (BOV)</i>
05/25/2009	<i>Policy on professorships, distinguished professorships, chairs and chair elevations (BOV)</i>
01/2013	<i>Policy on professorships, distinguished professorships, chairs and chair elevations (local)</i>

FAQ

1. What are the established minimums for faculty endowments?

Minimum levels to create endowments to support scholarships, faculty, and research are approved only by the Board of Visitors and published as part of the [Policy on University Recognition through Naming](#).

2. Can faculty benefit from more than one endowed fund?

Faculty may be the recipients of income from multiple endowed funds.



Executive Summary for Policy Retirement:

Policy on Solicitation of Private Funds for Non-Sponsored Program Purposes

<https://policy.vcu.edu/universitywide-policies/policies/solicitation-of-private-funds-for-non-sponsored-program-purposes.html>

Policy Type: Board of Visitors

Responsible Office: Development and Alumni Relations

Draft Date: MM/DD/YYYY

Initial Policy Approved: 01/01/1995

Current Revision Approved: MM/DD/YYYY

Policy Retirement Process Tracking:

Respective Cabinet Member Approval to Retire Policy: 03/01/2021 - Jay Davenport

Integrity & Compliance Office Review: 03/11/2021

President's Cabinet Approval to Retire Policy: MM/DD/YYYY

Board of Visitors Approval to Retire Policy [BOV policies only]: MM/DD/YYYY

Why is this policy being retired?

☐ There is no longer a need to govern this topic.

☒ The topic is covered by another policy.

Justification for selection above:

Substantive details of this policy were updated and replaced by the BOV Policy on Development and Alumni Relations Activities 2018, and this policy should be retired.



VCU

Executive Summary for Policy Retirement: **Policy on University Advancement Policies and Procedures**

https://policy.vcu.edu/media/policy/policies/University_Advancement_Policies_and_Procedures.pdf

Policy Type: Board of Visitors

Responsible Office: Development and Alumni Relations

Draft Date: MM/DD/YYYY

Initial Policy Approved: 05/2009

Current Revision Approved: 05/25/2010

Policy Retirement Process Tracking:

Respective Cabinet Member Approval to Retire Policy: 03/01/2021 - Jay Davenport

Integrity & Compliance Office Review: 03/11/2021

President's Cabinet Approval to Retire Policy: MM/DD/YYYY

Board of Visitors Approval to Retire Policy [BOV policies only]: MM/DD/YYYY

Why is this policy being retired?

☐ There is no longer a need to govern this topic.

☒ The topic is covered by another policy.

Justification for selection above:

Substantive details of this policy were updated and replaced by the Policy on Development and Alumni Relations Activities 2018. Remainder of policy details managed at administrative or local policy level. New policy updates on endowments and gift acceptance scheduled to be reviewed by BOV in May 2021.



VCU

Executive Summary for Policy Retirement:

Policy on Gifts of Art

<https://policy.vcu.edu/universitywide-policies/policies/policy-on-gifts-of-art-to-vcu.html>

Policy Type: Board of Visitors

Responsible Office: Development and Alumni Relations

Draft Date: MM/DD/YYYY

Initial Policy Approved: 01/20/1993

Current Revision Approved: MM/DD/YYYY

Policy Retirement Process Tracking:

Respective Cabinet Member Approval to Retire Policy: 03/01/2021 - Jay Davenport

Integrity & Compliance Office Review: 03/11/2021

President's Cabinet Approval to Retire Policy: MM/DD/YYYY

Board of Visitors Approval to Retire Policy [BOV policies only]: MM/DD/YYYY

Why is this policy being retired?

☐ There is no longer a need to govern this topic.

☒ The topic is covered by another policy.

Justification for selection above:

Substantive details of this policy were replaced by the 2018 BOV Policy on Development and Alumni Relations Activities. New 2021 Policy on Gift Acceptance and Administration will address all non-cash donations, in accordance with IRS regulations, scheduled for consideration by the BOV in May 2021.