

**GIFT AND DONOR
RECOGNITION POLICY**



Cranbrook Educational Community
Board of Trustees
Committee on Advancement

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Cranbrook Educational Community
Board of Trustees
Committee on Advancement

Gift and Donor Recognition Policy

As a Michigan not-for-profit corporation and in accordance with its Articles of Incorporation, the Cranbrook Educational Community (“Cranbrook”) and its programs and services actively solicit current and deferred gifts, gift commitments, pledges, sponsorships, and grants from individuals, corporations, foundations, and governmental and other entities to further its mission and to secure its future growth.

Mission

Cranbrook provides extraordinary education, encourages creativity and innovation, and values learners of all ages and backgrounds. Cranbrook develops people who will live with purpose and integrity, create with passion, explore with curiosity, and strive for excellence.

Gifts, gift commitments, pledges, sponsorships, or grants are solicited and accepted only for purposes that are consistent with the educational mission of Cranbrook. The President of Cranbrook, or his/her designee, is responsible for making such determinations of consistency.

Purpose of Gift and Donor Recognition Policy

This Gift and Donor Recognition Policy governs the public naming recognition of all gifts, commitments, pledges, sponsorships, and grants by Cranbrook on or after its effective date for any of its programs or services and provides guidance for Cranbrook staff when discussing gifts to Cranbrook with donors and their advisors. The term gifts as used in this policy is intended to mean any donation, contribution, bequest, trust distribution, grant, or other charitable transfer made on or after the effective date of this policy.

Philosophy of Gift and Donor Recognition

Cranbrook is very grateful for all donations of time, talent, and treasure made by its donors in support of its educational mission. It is Cranbrook’s intention and practice to recognize all such contributions in a gracious, accurate, and prompt manner. Cranbrook’s recognition is its voluntary expression of gratitude for a gift and not a *quid pro quo* for it. See CASE Currents Mar-Apr 2019 p. 32 for recommendation on this point. Cranbrook will not publicly recognize any support in such a manner that implies or requires endorsement of products or services. Cranbrook’s donors show their interest and loyalty to its programs and services in different ways. Thus, Cranbrook recognizes and stewards differing gifts differently.

Confidentiality and Disclosure of Gift and Donor Information

Cranbrook considers gift and donor information confidential within Cranbrook unless permission is given by the donor to release such information. Employees and volunteers must agree to maintain gift and donor information confidential in accordance with Cranbrook’s confidentiality policy, employee handbook (if applicable), and the Donor Bill of Rights as created by the Association of Fundraising Professionals, among other professional organizations.

Naming Policies – Buildings and Physical Spaces

Cranbrook has a long-standing tradition of naming campus facilities in honor of individuals or entities that have made important contributions towards its mission. Facilities may include buildings, parts of buildings, and other permanent areas of significant components or physical spaces on the campus. All naming in recognition of an honoree must be consistent with Cranbrook's educational purpose and mission and all naming proposals for buildings and physical spaces must be approved in accordance with this Gift and Donor Recognition Policy and with related Cranbrook guidelines.

The Board of Trustees will approve the naming of all buildings and physical spaces upon recommendation by the President and approval by the Committee on Advancement, the Properties Committee, and any applicable Board of Governors. The President of Cranbrook, or his/her designee, is responsible for developing other proposals for naming buildings and physical spaces in accordance with Cranbrook's approved and prioritized needs.

No commitment regarding naming campus facilities shall be made to a donor or a non-donor honoree prior to approval by the President, or his/her designee, of a specific written proposal for naming. Each proposal shall be considered on its merits and not because a gift meets a particular or predetermined goal. Suitable attention shall be given to both the long-term and short-term appropriateness of a naming. Consideration shall also be given to the significance of the proposed gift, if any, as it relates to the realization and/or success of the project or the enhancement of the project's usefulness for Cranbrook; the urgency of need for the project or for support funds for the project; the eminence, reputation, and integrity of the individual or entity whose name is proposed; and the relationship of the individual or entity to Cranbrook.

The following guidelines shall be applied in conjunction with all naming opportunities and approvals for campus facilities:

- Gifts to name a new building shall provide a minimum of 50% of the Total Project Cost. The phrase Total Project Cost as used in this policy includes associated endowment, fittings, and furnishings.
- Gifts to name an existing unnamed building which is being substantially renovated shall provide a minimum of 75% of an amount equal to the Total Project Cost of the renovation.
- The minimum level of gifts required to name an existing unnamed building which is not being substantially renovated shall be proposed by the President (and approved by the Board of Trustees on the recommendation of the Committee on Advancement) taking into account, in addition to the criteria above, the age of the building, its use, replacement value, and the naming amounts for other similar buildings on campus.
- Gifts to name a new or renovated component within a building (e.g. a classroom, laboratory, or auditorium) or another physical space (e.g. a sports venue, locker room, courtyard, walkway, or garden) shall provide 100% of the Total Project Cost for that component.

- When a proposed naming opportunity for a building or physical space involves a major gift, that gift must be paid in full within five years. Deferred or planned commitments, with the exception of charitable lead trusts funded with cash or marketable securities, may not give rise to the opportunity to name facilities until the bequest intention is fully realized.
- Written gift agreements in an approved Cranbrook form are required for the naming of new or renovated buildings or physical spaces (before project completion) and must allow for the unrestricted use of the donated funds for the specified project. This affords Cranbrook the flexibility to use bonds or other funding mechanisms for construction or renovation.
- In the event the entire gift amount is not received as provided in the gift agreement with a naming donor, Cranbrook will have the right to remove the donor’s recognition and may offer the donor an alternate naming opportunity appropriate to their giving level.
- If, at any time, Cranbrook’s Board of Trustees determines that the activities of a donor or honoree recognized in a named facility on campus reflect negatively on Cranbrook’s public image, or are in material conflict with its mission, it has the right to terminate those naming rights. In this instance, Cranbrook would nevertheless retain the completed gift, if any.
- Naming of buildings and physical spaces is the right of Cranbrook and entirely at its discretion. Recognizing that it may not be practicable or feasible to retain in perpetuity a name on a building or space as program and campus needs change, all new or renewed naming opportunities entered into after the Effective Date of this policy shall be limited to a period not to exceed the lesser of:
 - the duration of the applicable building’s or physical space’s useful life or until continued use of the building or physical space in its current condition has become impossible or impracticable; or
 - in the case of:
 - recognition linked to a gift, twenty (20) years; and
 - an honorific recognition not linked to a gift, ten (10) years.

Cranbrook shall not be obligated to continue a naming opportunity upon the expiration of the above periods and reserves the right to remove the name or assign a new name to the building or physical space. Cranbrook will always endeavor to recognize previous naming donors and honorees generously and appropriately.

Notwithstanding the forgoing, in the case of any conflict between the above and the terms of any written agreement entered into prior to the Effective Date of this policy with respect to a naming opportunity (“Existing Naming Agreement”), the terms of the Existing Naming Agreement shall control.

Signage and recognition plaques for naming gifts shall be fabricated, sized, and affixed in accordance with architectural prototypes designated for each specific campus area and facility as set forth in Cranbrook's Gift Recognition Signage Guidelines, as the same may be revised from time to time, and shall be reviewed and approved by the Properties Committee, after review and approval of the donor recognition by the Committee on Advancement. After the effective date of this policy, no new recognition plaques may be installed, and no existing recognition plaques reinstalled, without the foregoing approvals. Efforts shall be made to ensure a level of consistency of recognition plaques across campus.

From time to time, Cranbrook's Board of Trustees, after consideration and approval by the Committee on Advancement and the Properties Committee, may identify certain campus facilities that, for historic or other reasons, may not be named or renamed to honor a donor or another individual or entity. As of the effective date of this policy, the following facilities may not be named or renamed:

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| Brookside School | Greek Theater |
| Cranbrook Academy of Art | Kingswood School |
| Cranbrook Art Museum | Milles House |
| Cranbrook Boys Middle School | St. Dunstan's Playhouse |
| Cranbrook Girls Middle School | Saarinen House |
| Cranbrook House | Melvyn Maxwell and Sara Stein Smith House |
| Cranbrook Institute of Science | Thornlea |
| Cranbrook School | |

Naming Policies – Positions or Programs

Cranbrook also offers opportunities for donors to further its mission through significant gifts and, at the same time, to perpetuate their association with Cranbrook by attaching their name or the name of another individual or entity to a specific position or program. Positions include permanent functions such as department heads or administrative officers or other key staff positions; programs include regular academic offerings such as academic departments or interdisciplinary areas of study and permanent academic fields, such as earth science at the Institute of Science. All naming of positions or programs in recognition of an honoree must be consistent with Cranbrook's educational purpose and mission and all naming proposals for positions or programs shall be approved in accordance with this Gift and Donor Recognition Policy and with related Cranbrook guidelines.

The Board of Trustees will approve the naming of all new positions and programs upon recommendation by the President and approval by the Committee on Advancement and the Board of Governors of the applicable Program Area (if any). The President of Cranbrook, or his/her designee, is responsible for developing proposals for naming other positions or programs in accordance with Cranbrook's approved and prioritized needs.

No commitment regarding named positions or programs shall be made to a donor or a non-donor honoree prior to approval by the President, or his/her designee, of a specific written proposal for naming. Each proposal shall be considered on its merits and not because a gift meets a particular predetermined goal. Suitable attention shall be given to both the long-term and short-term

appropriateness of a naming. Consideration shall also be given to the significance of the proposed gift, if any, as it relates to the realization or success of the position or program or the enhancement of its importance for Cranbrook; the urgency of need or support funds for the position or program; the eminence, reputation, and integrity of the individual or entity whose name is proposed; and the relationship of the individual or entity to Cranbrook.

The following guidelines shall be applied in conjunction with all naming opportunities and approvals for positions or programs:

- Gifts to name an existing position shall provide spendable endowment earnings in the year in which the gift is complete of at least 50% of the total need associated with that position, including salary, benefits, and any professional development funds offered to the incumbent of the position.
- Gifts to name a new position shall provide spendable endowment earnings in the year in which the gift is complete of at least 75% of the total need associated with that position, including salary, benefits, and any professional development funds to be offered to an incumbent of the position.
- Gifts to name an existing program shall provide spendable endowment earnings in the year in which the gift is complete of at least 50% of the program's annual operating budget.
- Gifts to name a new program shall provide spendable endowment earnings in the year in which the gift is complete of at least 75% of the program's proposed annual operating budget when fully operational.
- When a proposed naming opportunity for a position or program involves a major gift, that gift must be paid in full within five years. Deferred or planned commitments, with the exception of charitable lead trusts funded with cash or marketable securities, may not give rise to the opportunity to name positions or programs until the bequest intention is fully realized.
- Written gift agreements in an approved Cranbrook form are required for the naming of new or existing positions or programs and must allow for the use of the donated funds as true or quasi-endowment. This affords Cranbrook the flexibility required for both independent academic and personnel decisions.
- In the event the entire gift amount is not received as provided in the gift agreement with a naming donor, Cranbrook will have the right to remove the donor's recognition and may offer the donor an alternate naming opportunity appropriate to their giving level.
- If at any time, Cranbrook's Board of Trustees determines that the activities of a donor or honoree recognized in a named position or program reflect negatively on Cranbrook's public image, or are in material conflict with its mission, it has the right to terminate those naming rights. In this instance, Cranbrook would nevertheless retain the completed gift, if any.

- Naming of positions and programs is the right of Cranbrook and entirely at its discretion. Recognizing that it may not be practicable or feasible to retain a named position or program in perpetuity as academic, programmatic, personnel, or administrative needs change:
 - In the case of recognition linked to a gift, Cranbrook shall not be obligated to continue a naming opportunity should a position or program be discontinued or substantially modified. Cranbrook may consider alternative recognition, taking into account the redesigned use of the related endowment fund.
 - In the case of an honorific recognition not linked to a gift, the naming opportunity shall be limited to a period not to exceed ten (10) years. Cranbrook shall not be obligated to continue a naming opportunity upon the expiration of this time period and reserves the right to remove the name or assign a new name to the position or program.

Cranbrook will always endeavor to recognize previous naming donors and honorees generously and appropriately.

Notwithstanding the forgoing, in the case of any conflict between the above and an Existing Naming Agreement, the terms of the Existing Naming Agreement shall control.

Cranbrook’s Board of Trustees, after consideration and approval by the Board of Governors of the applicable Program Area (if any) and by the Committee on Advancement, may identify certain positions or programs that, for historic or other reasons, may not be named or renamed to honor a donor or another individual or entity. As of the effective date of this policy, the following positions and programs may not be named or renamed:

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| Cranbrook Academy of Art | President |
| Cranbrook Archives | Chief Operating Officer |
| Cranbrook Center for Collections and Research | Chief Financial Officer |
| Cranbrook House and Gardens | Director of Human Resources |
| Horizons-Upward Bound | Chief Advancement Officer |

Naming Policies – Endowed Funds

As of the effective date of this Gift and Donor Recognition Policy, the minimum gift that is required to name any true or quasi-endowment fund intended to be commingled and invested with other Cranbrook pooled funds is \$50,000. This minimum may be changed from time to time upon recommendation by the President and with the approval of the Committee on Advancement and the Board of Trustees.

Written gift agreements in an approved Cranbrook form are required for any gift to establish a true or quasi-endowment fund. Gifts of endowed funds will be commingled and invested, and spendable income from such endowed funds will be determined, in accordance with Cranbrook’s endowment management policies. Restrictions as to the use of spendable income from true or

quasi-endowed funds shall be governed by Cranbrook's Gift Acceptance Policy in effect on the date of the original gift.

Naming Policies – Restricted Spendable Funds

As of the effective date of this Gift and Donor Recognition Policy, the minimum gift that is required to name any restricted, spendable fund is \$50,000. This minimum may be changed from time to time upon recommendation by the President and with the approval of the Committee on Advancement and the Board of Trustees.

Written gift agreements in an approved Cranbrook form are required for any gift to establish a restricted spendable fund. Gifts of restricted spendable funds are generally not invested in Cranbrook's pooled funds and do not earn any spendable income.

Donor Recognition – Donor Honor Rolls

From time to time, Cranbrook may elect to compile and publish a Donor Honor Roll which lists donors who have given during a particular date range, for a particular purpose, cumulatively over a certain amount, or in some other segmented way. In doing so, Cranbrook will use its best efforts to secure the prior approval of the donor for inclusion in the Donor Honor Roll. Prior to its publication, any donor may request that his/her name not be publicly recognized in a Donor Honor Roll or that he/she be recognized anonymously.

Donor Recognition – Collective Donor Plaques

From time to time, Cranbrook, or its programs or services, may create donor plaques listing donors to a particular facilities project, donors who have given cumulatively over a certain amount, or other categories of donors whom Cranbrook wishes to recognize. In doing so, Cranbrook will use its best efforts to secure the prior approval of the donor for inclusion in the plaque. Prior to its fabrication, any donor may request that his/her name not be publicly recognized on a donor plaque or that he/she be recognized anonymously.

Exceptions and Limitations

In extraordinary circumstances, exceptions to this Gift and Donor Recognition Policy may be made by action of the Board of Trustees on the recommendation of the President and with the approval of the Committee on Advancement.

To avoid any appearance of commercial influence or conflict of interest, additional due diligence should be taken before the recommendation of naming for any building or physical space, position or program that involves the name of a corporation or corporate foundation. The naming for an individual associated with a corporation should generally be handled as any naming for an individual.

Related Resources

Gift Acceptance Policy approved by the Board of Trustees on June 24, 2020, as amended from time to time

Contact Information

If any donor, prospective donor, Cranbrook staff member or volunteer believes that any provision of this Gift and Donor Recognition Policy is not being followed, he or she should contact Cranbrook’s Chief Advancement Officer or President.

Changes to this Gift and Donor Recognition Policy

This Gift and Donor Recognition Policy has been reviewed and accepted by Cranbrook’s Gift Acceptance Committee, recommended to and approved by the President of Cranbrook, and recommended to and approved by the Committee on Advancement and the Board of Trustees as noted below. Any changes to this Policy must follow the same review, recommendation, and approval process.

Revision History

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| May 14, 2020 | Approval by Properties Committee |
| May 20, 2020 | Approval by Committee on Advancement |
| June 24, 2020 | Approval by the Board of Trustees |
| June 24, 2020 | Effective Date |