Stewardship & The Scholarship Process

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What is Stewardship?

In donor relations, stewardship refers to the managing and growing of relationships with donors by thanking and recognizing them for their philanthropy. Stewardship professionals support the development profession by recognizing and thanking donors in a fashion that will cultivate future giving to nonprofit organizations.

Here at the W. P. Carey School of Business, we recognize that stewardship is a critical step in the major gifts process and includes a high level of trust and financial responsibility.

The Four R’s of Stewardship

- **Reciprocity**: Giving the donor thanks and recognition
- **Responsibility**: Doing what we promised when we asked for the gift
- **Reporting**: Letting the donor know what happened as a result of their gift
- **Relationship Building**: Giving the donor the opportunity to be involved in the results they are contributing to
ASU Foundation and ASU

Fundraising Partnership, Stewardship and Customer Service — a 3 way relationship

Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:
ASU Foundation – Donor Bill of Rights

1. To be informed of the organization’s mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization’s governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization’s most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.
Types of Gift Accounts

- **Endowed ASU/ASUF Account**
  - (4000/7000, 4400/7400), reported ASUF Endowment Reports

- **Quasi Endowed ASU/ASUF Account**
  - (2000/7000, 2400/7400), reported ASUF Endowment Reports

- **Non-Endowed Gift Account**
  - (3000)

- **ASU Accounts**
  - Scholarship Item Types
  - Local Accounts that are set up to accept gifts or spend funds through ASUF accounts
Scholarship Gift Agreements

Gift Agreements: A CONTRACT FOR STEWARDSHIP

Each new gift of $100k or more requires a gift agreement. Gift agreements are also required for accounts with specific criteria (i.e. Scholarships).

All new agreements must be signed by high level ASUF staff and Dean Mittelstaedt. When a donor signs a gift agreement, they are expecting a high level of service and stewardship both from ASU Foundation and W. P. Carey.

Unless confidential, all business managers should have copies of their gift agreements on file for each of their foundation accounts. Most all of our accounts have an agreement or checklist on file. If you are missing any of your documentation, please email Ashleigh Leite and she can send you a copy.

From these gift agreements, a scholarship checklist is completed and put into Barbara’s system.

- For annual scholarships, the scholarship criteria checklist serves the same purpose. It is signed by the donor with the same expectation of stewardship
Gift Agreement Points

Our areas of emphasis

B. Gift Purpose and Criteria

The amount available for spending from the Fund shall be used on an annual basis to provide at least one $2,000 scholarship to an undergraduate student enrolled in the W. P. Carey School of Business.

In managing the Fund, the ASU Foundation will pay to the ASU Beneficiary the endowment distribution ("Fund Payout") from the Fund with the understanding that the ASU Beneficiary will use the Fund Payout in accordance with the following criteria:

- Recipient must be a full time student enrolled at the W. P. Carey School of Business majoring in
- Recipient must have a minimum GPA of 3.5.
- Financial need is required to be eligible.

F. Unspent Amount Available for Spending

If, in a given year no use, or only partial use is made of the Fund Payout, the unused amount shall be returned to the Fund as reinvested earnings.

The ASU Beneficiary has the administrative responsibility to return the unused portion to the Fund as reinvested earnings.
Stewardship is Everyone’s Responsibility

W. P. Carey’s Process

♦ Business Managers are responsible for reconciling their foundation accounts for funds used. This includes confirming the donor designated use as directed by the gift agreement and cross checking it against their department scholarship process.

**Do not use the IFAS purpose to dictate criteria for awarding. Scholarship criteria must be checked against the gift agreement or scholarship criteria checklist.**

— **Create a 3-way tie** (gift agreement/criteria checklist, scholarship datasheet, funds disbursed)

♦ If for any reason, the donor designated use (whether scholarship, programming or other) is not spent within the criteria of the gift agreement, it will be the responsibility of the person who manages/budgets that account to let Ashleigh Leite and Anne Nguyen know why.

♦ Business Managers will also be responsible for transferring funds from their ASUF accounts to their local accounts within the same fiscal year for accurate reporting on the endowment reports.

— **NOTE:** ASU Financial Services transfers funds from the ASU Endowment Spending accounts (7400) into the item types on or near June 30. This means that payout available July 1 will sit in the spending account until June 30th of the following year.
Stewardship is Everyone’s Responsibility (cont’d)

**Annual Scholarships** (not endowed and primarily funded directly through an item type)  
**New policies for FY13**

- Annual scholarship commitments need to be invoiced by the departments by October 31 to secure funding by the January 31 deadline.

- New annual scholarships require a minimum funding level of $5,000 annually. Gifts of any amount may be accepted into a general scholarship fund to support students.

- Existing annual scholarships must meet a $2,500 minimum funding level by FY15 to maintain naming status.
  
  — It is the department’s responsibility to track annual scholarship funding.

  — Item type reports are due to Anne Nguyen, Ashleigh Leite and Barbara Parkinson twice per year to ensure that item types are spent out completely each year: June 30 and December 31.
Our Commitment to Stewardship

- Review IFAS roles and resources
- Review list of accounts with each department
- Confirm criteria per gift agreement
- Confirm ASU payout transfers to correct local accounts
- Review internal processes and procedures regarding funding requests
- Reinvest unspent earnings
- Reconcile local and item type accounts to spending accounts
- Review endowments with no payout or gift value below threshold
- Complete outstanding agreements
- Amend criteria with donors as needed
- Close unused accounts
- Inactivate unused item types
# ASU Foundation’s Spending Policy – Summary

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<th>Current Policy</th>
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<td><strong>Calculation Date</strong></td>
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<td><strong>New Gifts</strong></td>
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<td><strong>Increase for following year</strong></td>
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<td><strong>Cap</strong></td>
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<td><strong>Floor</strong></td>
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<td><strong>Underwater test</strong></td>
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## Fee

| **Calculation Date** | As of December 31 |
| **Percentage** | 2% |
| **Base** | 12 quarter Avg Market Value |
| **Withdrawal** | July 1 of following year |

ASUF Financial Services Support: foundation.financial.services@asu.edu
Scholarship Administration – New Systems in Place

ASU Foundation and Scholarship Management Database records continue to be cross checked to ensure scholarships are awarded per the donor agreement/donor criteria check sheet.

♦ Department Data Sheet (Sample Handout)
  - **Administration Requirements** – accurate reflection of what is stated in the gift agreement/scholarship criteria check sheet
    - Provides departments a better understanding in awarding/administering the scholarship funds.
      » Example: Language Preferences – If it states “at least one scholarship”...there may be an opportunity to award more based on the available funds. Dept responsibility to monitor.
Scholarship Committees

Importance of Criteria and Funding

- Scholarship committees and business managers need to work together to ensure that the scholarship is being awarded properly in regards to funding and criteria. Please refer to the Best Practices in Award Selection Guidelines.

- Some donors specifically leave criteria open ended to meet the needs of the department in awarding scholarships so be aware of each scholarship’s criteria for awarding purposes.

- Each dept has access to check fund balances in the scholarship item type account (via PeopleSoft or Financial Aid Web Reports). *Departments are responsible for awarding the appropriate amounts.*

- Please contact Ashleigh Leite or Barbara Parkinson if you have any questions regarding the administration of any scholarship.
Scholarship Administrator Website (Manual)

- [http://students.asu.edu/scholarshipsadmins](http://students.asu.edu/scholarshipsadmins)
- Reference site for Resources and PeopleSoft questions regarding the Distributed Scholarship role (DSP User Guide).
- Staff members assigned to scholarships will need to request the role of Distributed Scholarship Role Posting in Oasis/PeopleSoft. The link is [www.asu.edu/oasis](http://www.asu.edu/oasis). In order to have access to this role please make sure to review the DSP User Guide which is required before access to PeopleSoft is provided. Contact Barbara to add new designees to dept role.
W. P. Carey Process for Scholarship Posting

- Department Selections/Data Sheets submitted to Barbara Parkinson’s office (BA 150) by **March 4, 2013**.
- Awards will be posted in PeopleSoft (last week in March-BOM approve by April 1st) and the department’s BOM/designee will receive an email generated by PeopleSoft for final approval. Scholarship will post to students account once funds are available in item type.
- IFAS Transfer initiated by BOM or dept designee **no earlier than July 1, 2013**.
- 1 copy of the transfer and the account inquiry printout sent to the Dean’s Office (Anne Nguyen or Ching Lai) to approve pending disbursement in IFAS. The Dean’s Office will not approve these awards unless copies are forwarded to them by dept.
- 1 copy should also be sent to Barbara Parkinson’s office (BA 150).
- BOM/designee personnel should be the person who reconciles the ASU Foundation Endowed/Operating accounts used to fund awards.
W. P. Carey Scholarship Timeline

- **February 4-6, 2013:** Scholarship Applications/Data Sheets are forwarded to departments for scholarship selections.
- **March 4, 2013:** **DEADLINE:** Departmental scholarship selections. Data Sheets returned to Barbara Parkinson in Undergraduate Business Office, BA 150.
- **March 2013:** Undergraduate Scholarship Committee makes General Scholarship selections.
- **April – May 2013:** Notification letters are sent to all students that applied through the school of business general scholarship application.
- **April 2013:** Graduating senior awards are posted, per student/department request.
- **May – July 2013:** Fund transfers/deposits begin.

Scholarship awards posted in PeopleSoft for Fall 2013/Spring 2014 awards.
Questions?

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Thank you.