

Policy Title: Policy on Reporting to Donors

Policy Type: Finance/Administration (Advancement)

New/revised: New

Old Policy #: N/A

Approval level: Board of Trustees

President

Vice President

Other (specify here) ETSU Executive Team (7/24/17)

Attachments:

- A. Types of Donor Stewardship Activities
- B. Donor Bill of Rights
- C. Endowment Reports

1. Purpose. Communicating regularly with donors is a hallmark of good stewardship, showing donors the impact of their gift expressing our appreciation, and instilling confidence regarding our ability to administer gifts effectively. This policy serves as a set of guiding principles regarding the stewardship of current and future gifts to ETSU. This policy is intended to ensure donors' intentions are honored and gifts are properly acknowledged in a personal, timely and appropriate manner.

2. General:

- a. Development consists of identifying and building relationships with prospective donors. Stewardship consists of engaging with those who have already made gifts and involves a process of engaging with donors with the goals of relationship- and trust-building, with an eye toward moving a supporter to their highest level of philanthropy.
- b. While stewardship does not always follow a checklist, it can be helpful to have examples of the kinds of stewardship activities that have proven to be successful. Attachment A shows some types of these activities.
- c. Refer to the Responsibility and Ethics Policy for what donors should expect from University Advancement. See the Donor Bill of Rights (Attachment B).

3. Endowment Status Reporting

- a. The Annual Giving Office will prepare reports for each endowed account, showing the beginning balance, total amount donated, distributions for the year, other transfers, and total endowment value as of the end of the fiscal year (see Attachment C).
- b. These reports will ideally be delivered in December of each year and will provide balances as of the previous June 30th.
- c. Reports are intended to be delivered to each endowed scholarship originator or point of contact and will be provided by the respective DoD.

4. Unspent Scholarship Funds:

- a. Annually, Advancement will get a list of endowed scholarships with unspent funds.
- b. Annual Giving will work with the respective directors of development (DoD) to determine the reason for unspent funds and to rectify the situation(s) they uncover.
- c. DoDs will be ultimately responsible for clearing unspent accounts.
- d. Eventually, Annual Giving will expand tracking of unspent funds to include non-scholarship endowments.
- e. Results of this process will not be provided directly to donors, although these results may help inform what is reported to them.

Attachment A – Types of Donor Stewardship Activities

Receipts and Acknowledgements (see Gift Receipts and Acknowledgement Policy)

- Performed initially by Advancement Services
- Letters/e-mails thanking donors can be prepared by any University office having an interest. Make sure communications are timely and professional. Involve students where appropriate.

Recognition

- Branding of printed materials
- Gift anniversary
- Halls of Fame/Honor Rolls
- Mementos, keepsakes, or photographs. Items should be of nominal value. Make sure these are given voluntarily and not promoted as part of a “package” of giving at a certain level.
- Naming (refer to the Naming Policy)
- News releases/articles
- Signage during events
- Websites

Access to Leadership:

- Advisory groups
- Back-to-class
- Events (see below)
- Phone calls
- Visits may involve campus visits (tours) or visits to the donors’ site. Consider the level of past gifts and future potential, and connect that to the person(s) making the visits.

Invitations to Celebrate:

- Events to connect scholarship donors with recipients
- Dinners or luncheons (i.e., Distinguished President’s Trust)
- Engagements with students, faculty, and staff to highlight impact/accomplishments
- Lectures/shows
- Opening/groundbreaking Receptions
- School/unit/sporting events

Show Accountability:

- Impact or Status Reports
- Endowment Reports (see Attachment C)

Other Communications:

- Birthday/Anniversary/Holiday Cards
- Respond to alumni, donor, and friend requests promptly and professionally.

NOTES:

- Most of the activities noted above should also necessitate contact reports in Banner
- Respect the privacy of our students, faculty, and alumni by gaining their permission before releasing information.

Attachment B – 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 philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare all donors have these 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 acknowledgment 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, publications, or other forms of media 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.

Attachment C – Endowment Reports



ETSU Foundation Endowed Fund Financial Report As of June 30, 2016

THE JOHN DOE SCHOLARSHIP ENDOWMENT FOR EDUCATION

Fund Purpose: To provide scholarships for ETSU students who wish to become either formal or informal teachers.

Background: This endowment was established by Dr. John Doe, who felt it was important to honor the service of educators everywhere. Dr. John Doe dedicated nearly 26 years to East Tennessee State University, building a nationally recognized education program.

Performance of the total ETSU Foundation Endowment:

Total Value as of July 1, 2015	Total Value as of June 30, 2016	Percentage of Growth(+)/Decline(-)
\$72.4M	\$68.7M	-5%

Status of the John Doe Endowment for Education account:

Account	Balance 7/1/2015	Gifts/Other Income	Investment Income	Transfers To (From)	Expenditures	Balance 6/30/2016
Operating	\$489	\$0	\$830	\$11	\$475	\$855
Endowment	\$31,048	5,050	(\$143)	(\$11)	\$0	\$35,944

* The Investment Committee of the ETSU Foundation Board recommends an endowment spending rate each year based on overall market performance and economic conditions. The spending rate is a range based on reserves available to the endowment. Distributions are calculated based on an average of the quarterly endowment market values for the 3 previous calendar years. For FY 2015-16, the spending rate ranged from 3-5%.

Every gift affects the lives of ETSU students as they go about fulfilling their dreams of higher education. This endowment provides an important service by providing critical funding to deserving students pursuing their goals. Gifts such as the John Doe Scholarship really make a difference. Your gift may be measured in dollars in this report, but the impact is truly priceless. Please know you have forever changed lives.

If you have questions, please contact [DoD Name], Director of Development for the Clemmer College of Education at 423-439-7974 or dod@etsu.edu. You can also reach out to Jon See, Exec Director of Annual Giving at 423-439-6141 or seejs1@etsu.edu.