



**Oregon State**  
University

# **Best Practices for Stewarding Donors who Contribute to Scholarship and Student Support Funds**

*A guide created by Oregon State University's  
Undergraduate Student Success Initiative (USSI)  
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## Background

In a time of limited state funding as a percentage of the university's overall budget, philanthropy is increasingly important to ensuring access and persistence to degree completion for all students. Encouraging foundations, companies, family, friends and alumni to support the university is one critical element for ensuring the future success of our students.

While development work is not the primary focus of any one unit outside of the OSU Foundation, efforts invested by university units in growing relationships with others who care about OSU ("stewardship") will serve students and positively impact our educational, research and outreach efforts.

At the outset, there are some assumptions we can make about stewardship as it relates to student success:

- Donors care about the students and the institution.
- Donors want their money to be awarded to support students in accordance with the guidelines stipulated in the gift agreements.
- All else being equal, donors would like to maximize the funding that is available to be spent every year.

The intent of this guide is to provide best practices to allow university members to manage stewardship activities, specifically stewarding donors of scholarship and student support funds. Additional information regarding the administration of scholarships is available in the *Guidelines for the Awarding of OSU Scholarships*.

## OSU Foundation's Statement on Stewardship

Central to the mission of the Oregon State University Foundation (OSUF) is a commitment to establishing positive long-term relationships with donors and the understanding that exceptional stewardship is essential to reaching this goal. OSU and OSUF value stewardship practices that are rooted in creating and growing authentic relationships, where donors know the impact of their gifts and recognize their essential role in the life of our students and the university.

## Developing a Stewardship Plan

Connecting donors with the students and programs they support, demonstrating the impact of their gifts and thanking them is essential to stewardship, and university staff are often in the best position to realize these objectives. Building relationships with your community of donors and other program stakeholders, though, requires an investment of time and resources. A **stewardship plan** will facilitate the establishment and identification of procedures, schedules and responsibilities that will lead to organized and efficient stewardship practices.

Each unit's stewardship plan will vary, but it is helpful to be clear in the plan about the goals and objectives of stewardship, the schedule of engagement activities and roles and responsibilities. Refer to the *Stewardship Timeline* for guidance in the different types of activities involved in stewardship, when they occur within the annual calendar and the division of responsibilities between the university and the foundation. See the *College of Business Donor Relations and Stewardship 3-year Plan* for a model of creating a unit-level plan.

## Donor Engagement Lifecycle and Donor Continuum

In developing stewardship activities, keep in mind that engagement is an ongoing, cyclical process. The **Donor Engagement Lifecycle** outlines the steps involved in building, cultivating and perpetuating a supporter's

investment in your unit. The OSU Foundation defines the lifecycle as moving from “Recruit/Inspire,” to “Learn” and to “Engage,” culminating in a gift “Ask” and “Thanks.” This is then repeated, maintaining donor enthusiasm and affiliation over time.



Different kinds of engagement activities are associated with each step in the lifecycle, and movement through the lifecycle is usually contingent upon successful implementation of the preceding steps. Examples of activities that might be associated with each step are:

- **Recruit/Inspire**
  - Social media engagement
  - Student speakers at university events
  - Reunions or tailgaters
- **Learn**
  - Newsletters or print magazines
  - Website detailing programs, activities and giving/support opportunities
  - Unit events with program leadership and students
- **Engage**
  - Participation in unit leadership groups
  - Direct involvement with students (e.g., coffees, mentorship programs, internship hosting)
  - Individual meeting with unit leaders and/or development officers
- **Ask**
  - Invitation to participate in giving day or other campaigns
  - Development of gift proposal (in conjunction with OSU Foundation representatives)
- **Thank**
  - Call or letter/email from unit head and/or OSU Foundation representative
  - Note from scholarship recipient
  - Donor recognition event

Although donors will sometimes begin at different points in the lifecycle, a gift is generally the product of a process of engagement, and future giving requires offering donors ongoing opportunities and information that inspires, educates and connects them to your unit, its vision and its students. Stakeholders who are highly informed and invested in programs are not only more likely to contribute financially, they also can offer other forms of support – expertise, connections and mentorship, for example – that can advance unit goals.

Each unit may define the steps in the engagement lifecycle differently, but categorizing donors and prospects

according to where they are within the continuum of engagement at any time can help drive and individualize engagement efforts and strategies in scalable ways. Management of this process requires tracking, and units may consider developing a method of recording donor engagement and engagement history in consultation with the OSU Foundation. For an example of one implementation of a continuum approach to donor engagement and stewardship, see the *Honors College Managing Donor Relations Using a Continuum Model*.

## The Gift

Giving should be as clear and easy as possible, offering prospective donors a variety of opportunities that can be customized according to interests and capacity. The OSU Foundation receives all donor gifts to the university and should be involved in any giving information, solicitations or individual asks.

## Receiving the Gift

Many units and programs ask for gifts from alumni, friends and donors on their websites, through annual solicitations and in newsletters. Online gifts have increased in number and size over the last few years. Your website should have an easy-to-find “giving” webpage that is properly linked to the OSU Foundation online giving form. You may request a customized online giving form that will pre-fill fund information by contacting digital communications staff at the OSUF or your Foundation development officer.

Any "how to give" information posted online should include at least the following three components:

- How to give by mail: The check must be made payable to the “OSU Foundation,” with the scholarship or student support fund name and fund number (if known) indicated in the check’s memo line, then mailed to:  
OSU Foundation  
4238 SW Research Way  
Corvallis, OR 97333-4015
- How to give by credit card through a secure online form: Invite donors to visit [www.osufoundation.org](http://www.osufoundation.org) and include the scholarship or student support fund name and fund number in the designation box. If your unit has a customized, prefilled online form, you may choose to direct donors to that site.
- Contact information for an OSU Foundation liaison in case the donor has questions or would like more information.

Please be assured that, if correctly designated, gifts sent to the Foundation will be posted to the appropriate fund, and all pertinent enclosures for the administering unit will be forwarded once the gift is processed.

Sending gifts to any other address is problematic because:

- Processing will be delayed. Checks mailed to units or programs must be sent to the Foundation, via the dean’s or unit head’s office, where the check will then be processed and posted. The extra steps delay the tax receipt getting to the donor.
- More people are handling the check. This creates more opportunities for checks to be lost, misdirected, etc.
- Checks made payable to OSU instead of the Foundation must be cashed by OSU so a new check can be drafted and directed to the OSU Foundation. This process can take weeks.

## Defining Award Criteria

Some major donors will wish to establish new funds. The OSU Foundation is responsible for creating new



scholarship and student support fund documentation and should be involved in all discussions about gift purposes. Keep in mind that eligibility criteria and awarding guidelines for scholarship and student support funds should be as broad as possible to support effective and efficient fund utilization. Overly-restrictive eligibility requirements and awarding parameters can result in small pools of eligible students and/or funds remaining unawarded. More information regarding appropriate eligibility criteria and awarding guidelines for scholarship and student support funds can be found in the *Development Officer Guidelines for Creating Scholarships*. It may be useful to speak with award administrators about the viability of making awards according to listed requirements before finalizing the gift document.

## After the Gift

### Gift Acknowledgement

Prompt recognition of a donor's gift is essential for good stewardship. Donors want to know that their gifts have been received and will be put to their designated use. The OSU Foundation sends a tax receipt for every gift and a separate gift acknowledgement depending on the specifics of the gift (e.g., gift amount, type of gift, etc.). More detailed information is available in the *OSUF Acknowledgement Summary*.

Campus units are encouraged to develop their own processes for acknowledging gifts to their unit. Examples of thank you letters and other gift acknowledgements are available in the *Sample Thank You Letters*. Personalized acknowledgements from an individual (the unit head/the scholarship recipient) with detailed information about the specific beneficiaries of the donor's gift(s) can help demonstrate gift impact and build connection with the unit.

In order to facilitate prompt acknowledgement of gifts, speak to your OSU Foundation liaison about how your unit will be made aware of new gifts when they come in.

### Donor Recognition

It is vitally important that donors feel appreciated and that their gifts make a difference. Donor recognition is a way to acknowledge and show appreciation to loyal donors with the goal of retaining them as supporters into the future. Donors are recognized for their contributions to scholarship and student support funds in many ways by both the OSU Foundation and campus units. The OSU Foundation recognizes donors at events, in publications and on the OSU Foundation's website and through recognition societies. The Milton Harris Society and the 1868 Society recognize donors' cumulative gifts, pledges and estate gifts. Harris Society donors are listed on the OSU Legacy Wall in the Memorial Union. Beaver Leadership Circle recognizes donors' annual gifts of \$1,000 or more each academic year and the OSU Legacy Society recognizes donors' who plan to give through their estate. See *Donor Recognition Groups* for more details, and consider ways in which your unit can also recognize loyal donors.

### Fund Utilization

Donors establish scholarship and student support funds with the expectation that their gifts will be stewarded responsibly and awarded in accordance with their instructions. An important component of stewarding scholarship and student support funds is striving to award all available funds each year to eligible students.

Campus units must comply with all eligibility criteria (e.g., undergraduate chemistry majors with a minimum 3.00 GPA) and awarding parameters (e.g., one award of \$1,000) described in the donor's gift agreement. Campus units may not apply additional or different eligibility criteria or awarding parameters without the donor's prior approval and the execution of appropriate documentation. If the campus unit is unsure about the eligibility criteria



and awarding parameters, electronic copies of gift agreements and other donor documentation are available for review in OSUF's Financial Edge system. Any questions not resolved by referencing the gift documentation should be referred to the Stewardship Team at OSUF for assistance.

Campus units are encouraged to proactively identify alternate award recipients during the initial selection process if one or more of the original recipients becomes ineligible. If campus units have not selected alternates in advance, they are strongly encouraged to review the original pool of eligible students again as necessary to re-award any funds that become available if an original recipient is ineligible.

Fund utilization should be periodically reviewed by units, in collaboration with the Foundation. To identify any unawarded funds and allow sufficient time to select additional recipients if needed, a review should be conducted before recipient selections are finalized during each awarding cycle. The Foundation notifies campus units twice a year of funds from which nothing has been spent in the current fiscal year. Full utilization of all available funds supports donor stewardship efforts by demonstrating a continuing need for scholarships and student support funds. Donors are reluctant to provide additional gifts when those already given have not been awarded efficiently and correctly.

## Sharing Award Recipient Information

Most OSU scholarships and student support awards are made possible by the generosity of our donors. Sharing information about the recipients of these scholarships and awards with the donors ensures they feel connected with the university and encourages them to continue their philanthropic support. There are a number of ways in which information about scholarship and student support award recipients may be shared with donors.

## Recipient Stewardship Materials

Some donors enjoy hearing about the impact of their awards directly from the recipients. Although traditional thank you letters are the most common method for students to express their gratitude, some campus units ask award recipients to submit photographs, biographical statements, resumes and/or responses to pre-determined short answer questions in addition to, or in lieu of, a traditional thank you letter.

The OSU scholarship management system (OSU ScholarDollars) is the only campus-wide system currently available that includes the functionality to request and collect scholarship recipients' stewardship materials. Campus units also may choose to request recipient stewardship materials through processes external to OSU ScholarDollars if that is more appropriate for their processes. Regardless of how stewardship materials are collected, campus units are required under FERPA to obtain prior written consent from award recipients before sharing those materials with any third party, including a donor. Please note that students must be allowed to give or revoke permission for such a release at any time (see below).

## Donor Impact Reports

Sharing information about recipients in profiles and through letters they have written to donors works well for scholarship funds. See the *Student Recipient Examples for Donors*. For other types of student support funds, a faculty/staff-written report may be more appropriate. Experiential learning opportunities such as internships, student presentations at conferences and service trips can be reported to donors by unit staff or faculty. The OSU Foundation Stewardship Team requests reports such as these from faculty each spring and forwards them to donors as soon as they are received. See the *Sample Student SuppoFund Impact Report*. FERPA requirements for consent pertain to any student testimonials or accounts that might be included in these reports.

Donors who establish endowed student support funds will receive the OSU Foundation's annual endowment

report. The report includes information about the OSUF endowment as a whole as well as specific information about the individual endowment account in which the donor has an interest. See the *Sample Endowment Report*.

## FERPA and Consent to Release

In accordance with Family Educational Rights and Privacy Act (FERPA) of 1974, the Oregon Revised Statutes and the Oregon Administrative Rules, OSU and the OSU Foundation are required to obtain prior written consent from award recipients in order to release their protected information to any third party, such as a donor. Although FERPA does permit the release of “directory information” without prior consent, the OSU Office of the Registrar has determined that scholarship and student support awards are not considered directory information, and therefore no personally-identifiable information about an award recipient may be shared without obtaining a student’s written consent in advance.

The OSU scholarship management system (OSU ScholarDollars) is the only campus-wide system currently available that includes the functionality to request and collect scholarship recipients’ consent to share their information with donors. When students are offered a campus scholarship through OSU ScholarDollars, they are asked to authorize OSU to share information about their scholarship award, demographic profile, university activities and academic program with the OSU Foundation and donors to the scholarship fund. ScholarDollars asks students to indicate either “Yes” or “No,” and the system stores their responses on an award-by-award basis for each academic year. This allows the students to designate whether their information may be shared for each individual award for any given academic year. Please note that students may give or revoke permission at any time by contacting the OSU Scholarship Office.

If a student declines to give consent in OSU ScholarDollars, the campus unit responsible for awarding the scholarship does retain the option to contact the student to request separate written consent to share specific information in isolated cases (e.g., recognizing a scholarship recipient in a printed event program).

Campus units also may choose to request and document student consent through processes external to OSU ScholarDollars. When consent is requested through an alternative process, the written consent to release must include the following three elements to be considered valid under FERPA:

1. To whom the release is being made
2. The purpose of the release
3. What specific information may be released

Alternative written consents to release information must be submitted either as a paper document that includes the student’s signature and the date the document was signed or as an email message sent from the student’s OSU-issued email address. See *Sharing Award Recipient Information* for examples of approved consent request forms.

At OSU, the Office of the Registrar is responsible for interpreting FERPA as it relates to the release of student-level data, so in situations where the operational requirements associated with FERPA and the sharing of student information are unclear, award administrators are encouraged to consult with the Office of the Registrar for guidance.

## Summary

Successful donor stewardship programs require time, commitment and investment from university units and the cultivation of strong working relationships with OSU Foundation staff. However, this investment can yield significant, even essential, dividends. Building long-term relationships with donors and prospective donors is the foundation for developing scholarship and student support resources, both now and in the future, and, at the same time, an engaged community of supporters can open up new programmatic opportunities and support



networks for faculty, staff and students.

There is no single path to effective donor engagement. Each unit's supporters and donors will have unique interests and characteristics. Although this guide is intended to provide some general recommendations and tips, stewardship is most effective when it mindfully targets the particular audience it is addressing and facilitates engagement with the features of the program and its students that will motivate excitement and investment. Unit strengths, needs and community should shape engagement messaging, strategies and tactics.

Measuring the success of stewardship and engagement can be difficult. On the one hand, increases in giving, retention of donors and recruitment of new donors can all indicate a healthy stewardship strategy. However, it is not as easy to identify which elements of stewardship are effective and which are not, which might be building strong long-term affiliations (which may yield no gifts for many years) and which are not reaching audiences effectively. That said, stewardship should not remain static. Consider ways in which new technologies can be used, and take clear-eyed stock of the return on more-costly or labor-intensive engagement efforts and programs. Donors change, and the ways of reaching them need to adapt as well. Involving external community members, donors and other supporters in the process of evaluating stewardship and developing new ideas is, itself, an opportunity for engagement and investment.

Stewardship is inherently collaborative. It requires collaboration with the OSU Foundation; with unit leadership, faculty and staff; with students and, often, with external supporters. It is also helpful to remember that each unit's stewardship programs are a subset of the university's and are connected to activities in other units across Oregon State University. Working with the OSU Foundation on the timing or content of stewardship messages and activities can help in avoiding conflict or overlap. And, beyond this, connecting with peers in other units can lead to the development of new ideas and partnerships.

## Additional Information

This document cannot address every question you may have regarding Oregon State University and OSU Foundation's best practices and guidance related to stewardship of donors who contribute to scholarship and student support funds.

If you have further questions about OSUF's policies and procedures as they relate to donor relations and stewardship, please contact the OSUF Stewardship Team at the OSU Foundation at 541-737-4218 or [OSUFDonorRel@osufoundation.org](mailto:OSUFDonorRel@osufoundation.org).

If you have additional questions about OSU's policies and procedures as they relate to scholarship administration, please contact the OSU Scholarship Office at 541-737-1125 or [scholarship.office@oregonstate.edu](mailto:scholarship.office@oregonstate.edu).



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