



GUIDELINES FOR SCHOLARSHIP FUNDS

Scholarship funds at The Community Foundation for the Greater Capital Region are an appealing way for individuals, families, business, or other groups of people to strengthen their community.

Many people recognize that the key to their success in life is the education they received, and they want to make it possible for others to benefit from a good education. Some want to ensure the quality of life in our community by encouraging people to study certain subjects. The Community Foundation makes it possible for generous, caring community members to fulfill their dream of establishing scholarship funds—and for people who want an education to get one.

We welcome scholarship funds that will help students from our area attend a specific school, college, or university, regardless of its location, or to pursue a particular course of study. Donors may specify other selection criteria for recipients, including but not limited to academic achievement and financial need.

A scholarship fund can carry the name of the donor, family, company, or someone the donor wishes to honor. All grants from the fund are made in the name of the fund, in perpetuity. Donors who prefer anonymity can choose names that reflect their funds' charitable purposes.

The names of the scholarship funds are listed in the Foundation's Annual Report and are identified to prospective applicants. Unless they request anonymity, all donors to scholarship funds are listed in the Annual Report.

As is true of all funds of The Community Foundation, scholarship funds are considered components of the Foundation. They are subject to the terms and conditions of the Foundation's Administrative fees, Articles of Incorporation, and By-Laws.

Policies for Scholarship Funds: All scholarship awards must be given for charitable purposes, and selection of recipients must be made on an objective, non-discriminatory basis. There must be broad dissemination of eligibility requirements and application deadlines for scholarship awards. The Foundation makes scholarship grants to qualified educational institutions for the benefit of selected students.

Recommendation Procedures: Scholarship applications will be reviewed by an Advisory Committee whose make-up will be determined by the Foundation in consultation with the donor. This Committee will rank each applicant according to the established selection criteria and recommend a winner to the Foundation's Board of Directors.

Donors and related parties may not make up the majority of any Advisory Committee; they cannot control the Advisory Committee directly or indirectly. There must be no benefit to a donor, relative of a donor, or individual selected solely by the donor. Members of an Advisory Committee must disclose any familial relationship with any applicant and must refrain from voting on that particular applicant.

Each applicant must be ranked according to stated selection criteria. Documentation of selection criteria, relative ranking of each applicant, and the total number of applications received by the committee must be reported to The Community Foundation. Unless specified otherwise in the fund agreement, the Advisory Committee must consider the relative financial need of applicants.

Foundation Approval of Recipients: The Foundation's Board of Directors will give careful and thoughtful consideration to the recommendations of all advisory committees. Donors and committee members should understand that their recommendations are advisory and will not be binding on the Board of Directors, which by law must retain final responsibility for all distributions made from the Foundation.

Fund Size and Fees: The minimum initial contribution to establish a scholarship fund is \$5,000.00. As these are endowed funds, the principal is invested with other funds of the Community Foundation for the Greater Capital Region and distributions are made according to the Foundation's spending policy. In addition, the fund must attain a value of \$15,000.00 within thirty months of its establishment.

Starting a Scholarship Fund: Scholarship funds at The Community Foundation for the Greater Capital Region can be established quickly and easily. The Foundation's attorneys have prepared a sample fund agreement that you can customize to meet your own needs. Completing this agreement can often help donors clarify their charitable objectives. You should have your own attorney review it, and you should consult your advisor about the tax consequences of making any sizeable charitable contributions.

For More Information: Foundation staff is ready to help you by answering any questions you might have about scholarship funds. Sample fund agreements are also available. All Information is provided without obligation.

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