



## **Scholarship Gift Acceptance, Fees, Management & Spending Policies**

### **Statement of Purpose:**

The Henderson County Education Foundation administers new and renewed student scholarships for approximately 30 students per year. Currently, there are 20 individual scholarship accounts administered throughout the year.

### **HCEF Scholarship Policies:**

- Prioritize the 'Grow Our Own' Educational Assistance Fund\* to support the diversification of the HCPS teaching workforce, lessening overall administrative time commitments and becoming more mission-focused.
- Guide donors towards a scholarship that works best for them and for the capacity of the Foundation.
- Guide gift acceptance and fund establishment, ensuring that all scholarship amounts are meaningful for the student(s) awarded.
- Ensure scholarships cover the cost of stewardship and will be financially sustainable.
- Coordinate with HCEF staff to ensure the scholarship is broad enough so the applicant pool is more than one or two students. Guide donors towards preferences rather than strict requirements.
- Preserve scholarships existing prior to 2020.
- HCEF reserves the right to refuse to administer any scholarship that it deems incompatible with the values and goals of the Foundation and/or HCPS.
- Preserve the integrity and transparency of the student scholarship program processes.

### **Gift Acceptance Policy Structure:**

- Donations under \$5,000 will be added to the 'Grow Our Own' Educational Assistance Fund\*
  - Annual stewardship fee of 2% will be charged to the 'Grow Our Own' fund quarterly
- Endowed Scholarships:
  - Minimum donation of \$25,000 (within a three-year period) and before scholarships will be awarded
  - Target annual payout of up to 4% of a four quarter average of the principal market value
  - Annual stewardship fee of 2% will be charged quarterly
- Non-Endowed Scholarships:
  - Minimum of \$5,000 initial donation with additional donations of any amount
  - Annual scholarship award amount of \$1,000 minimum
  - The scholarship award will cease when fund drops below \$1,000 and balance will be transferred to the 'Grow Our Own' fund
  - Annual stewardship fee will be either \$100 or 2% of scholarship fund (charged quarterly); whichever amount is greatest

### **Stewardship of Scholarship Funds:**

- Memorial gifts: the year an individual is honored/remembered, their photo and biography will be included in the HCEF scholarship catalog, Scholarship Awards booklet, and HCEF website
- HCEF shall maintain the current level of scholarships awarded and limit scholarship growth to ways which don't interfere with other types of fundraising
- Every two years, the finance team of the board of directors shall review market performance of funds to ensure that full awarding of scholarships will not adversely impact the scholarship program in the long-term
- HCEF will charge stewardship fees to all scholarship funds to offset administrative costs of the scholarship program
  - Stewardship fee will be either \$100 or 2% of scholarship fund (charged quarterly); whichever amount is greatest

### **Historical Annual Scholarships:**

(Existing prior to 2020)

- Scholarship donors must commit by October 1<sup>st</sup> of the year prior to the scholarship being awarded and funds must be received by May 1<sup>st</sup> of the year the scholarship is to be awarded for the scholarship to be awarded in the spring
- Historical scholarships have a minimum of \$1,000 award amount (to be met by Fall 2022)
- HCEF will charge stewardship fees to all historical annual scholarships to offset administrative costs of the scholarship program
  - Stewardship fee will be either \$100 or 2% of scholarship fund (pulled quarterly); whichever amount is greatest

### **HCEF Stewardship Entails:**

- Communication with donors, students, parents, counselors, school and district leadership:
  - Annual commitment communication and fund updates with donors
  - Presentations to high school senior classes
  - Creation and distribution of annual scholarship information - print and online
- Creation and maintenance of Scholarship Committee:
  - Diverse cross-section of community members are recruited, trained, and supported throughout student selection
- Maintenance of online platform for student applications; communications with students regarding their applications
- Tracking of student demographics to ensure equal representation and preserve integrity of selection and award process
- Coordination and conduction of student interviews
- Announcement of HCEF Scholarship winners at the annual high school awards ceremonies
- Tracking student scholarship renewals; obtaining necessary information from renewing students ;tracking student deferments
- Communicating and distributing payments to universities and colleges

\* 'Grow Our Own' – This educational assistance fund supports a newly formed initiative for Henderson County Public Schools that recruits current Black, Indigenous, People of Color (BIPOC) students interested in a teaching career, to train, develop and prepare them to return to Henderson County to join the teaching workforce. The Grow Our Own program's objective is to assist the HCPS' effort to create a teaching and administrative staff that is consistent with the racial diversity of the student body.