Guidelines for Establishing
A Scholarship

Endowed scholarships require a minimum corpus of $10,000 which can be funded over five (5) years. An endowed scholarship fund specifies that the principal be held intact, invested, and the annual income used for specified purposes. Annual (non-endowed) scholarships may be established with an amount not less than $500 with the gift amount less the 2% Foundation Administrative Fee available for use. The following information is necessary for the establishment of a scholarship account within the Chadron State Foundation.

NAME
The donor has the opportunity to name the Scholarship, i.e., the John L. and Jane C. Doe Education Endowment. A named scholarship is an excellent opportunity to honor or memorialize someone.

TYPE
The scholarship is either endowed or annual. (See opening paragraph for explanation.)

AREA
The donor may choose to make the scholarship general in nature, or the donor may choose the academic area for the scholarship. For example, the scholarship may benefit a student majoring in business, or, more specifically, ag-business. Donors are asked not to be too restrictive in this area so that the pool of applicants for the scholarship is not unduly small.

AMOUNT
Scholarship monies available from endowments are determined by the amount earned by the principal in a given year, called the Fund Balance (principal plus earnings). One year’s earnings accrue prior to the first award unless the donor makes other arrangements.

FEES
An annual management fee of 2% of the fund balance is charged by the Foundation for the management of the account.

CRITERIA
Criteria for making awards of scholarships should be as broad as possible. As an example;
  o Awards will be made to students seeking a major in XXX
  o Recipient(s) must have demonstrated financial need as determined by the Financial Aid office.
  o Preference will be given to students from XXX County or XXX State

SELECTION
If the scholarship is designated to a particular academic area of the College, the scholarship committee of that Department shall be the selecting body. General scholarships are awarded by the CSC Scholarship Committee.

PUBLICITY
The donor is asked to state whether publicity for the establishment of the endowment will be allowed.

DOCUMENTATION
The final endowment agreement is created in duplicate and signed by the donor(s) and Foundation officials. One fully executed copy is for the donor; the other is kept on permanent file in the Foundation office.