



COMMUNITY FOUNDATION OF LOUISVILLE

SCHOLARSHIP

WHAT IS A SCHOLARSHIP FUND?

A scholarship fund is a personalized endowment you create to help students achieve their educational goals, and ultimately change their lives. Through a scholarship fund at the Community Foundation, you can support students through educational opportunities, an educational institution, or a course of study. Scholarship funds are a great way to memorialize a loved one and create a lasting legacy.

GETTING STARTED IS EASY

With the assistance of our staff, you determine the eligibility criteria, award amount, and selection committee. Certain scholarship funds give you the option to be a part of the selection committee. You can use cash, stock, or other assets to create a named fund, qualify for an immediate income tax deduction, and the Community Foundation will award your scholarship grants to the educational institution the recipient attends.

KEY BENEFITS

Easy: Work with our experienced staff to capture your vision for the scholarship purpose and criteria. We manage the details and administrative paperwork to ensure scholarships are awarded on time and in accordance with your charitable wishes.

Flexible: You may add to your fund at any time, The Community Foundation can accept gifts of many types of assets, including cash, stock, real property, mutual funds, and closely held business interests. Your fund will award scholarships only to eligible recipients, chosen by the selection committee. This ensures that your giving goals and educational priorities are met.

Personal: Your fund is established according to your values and goals—from the eligibility requirements to the award purpose, we work with you to create the criteria and guidelines. Scholarships are often created in honor or memory of a loved one.

Efficient: We handle the administrative tasks of your fund—from keeping track of your gifts and awards to contacting recipients and their schools—all for a competitive support fee. Each year, our scholarship administrator coordinates the scholarship selection process in its entirety.

HOW DO I GET STARTED?

Please contact Heather Cash for more information on your options for creating a scholarship fund. Call **502.855.6955** or send an email to heatherc@cflouisville.org.



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SCHOLARSHIP FUND

| | Designated Scholarship | Competitive Scholarship |
|--|------------------------|-------------------------|
| Minimum Fund Balance | \$25,000 | \$100,000 |
| Donor May Name the Fund | YES | YES |
| Donor May Select the Educational Institution | YES | YES |
| Donor May Identify Selection Criteria for Recipients | YES | YES |
| Donor May Have Representation on Selection Committee | NO | YES |
| Supplemental Fee Charged ¹ | NO | YES |
| Fund Agreement Required | YES | YES |
| Minimum Annual Award Amount | \$1,000 | \$1,000 |

¹The supplemental fee for scholarship funds is equal to 5% of the total dollar amount of grants awarded from the fund in a given year.

GUIDELINES FOR SCHOLARSHIP FUNDS

Because a scholarship benefits an individual and not an organization, the Internal Revenue Service has certain regulations that the Foundation must follow. The following guidelines apply to selection committees for scholarship funds administered by the Community Foundation.

1. Selection of recipients must be made on an objective, non-discriminatory basis.
2. There must be no benefit to a donor or relative of a donor.
3. Donors, or family members, cannot make up the majority of any selection committee.
4. Any member of the selection committee must disclose any familial relationship with an applicant, and must refrain from voting on that particular applicant.
5. There must be a broad dissemination of eligibility requirements and deadlines for each fund.
6. Each applicant must be ranked against stated selection criteria.