



CFL SCHOLARSHIPS

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. The Community Foundation will award your scholarship grants to the educational institution the recipient attends with minimum annual award amounts of \$1,000 required.

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:** Scholarship funds can be started with a minimum of \$25,000 and can be added to 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, Emory Williamson, coordinates the scholarship selection process in its entirety.

HOW DO I GET STARTED?

Please contact **Jennifer Fust-Rutherford**, Director of Gift Planning, for more information on your options for creating a scholarship fund. Call **502.855.6953** or send an email to jenniferfr@cflouisville.org. We'll work with you to create a customized scholarship fund that carries out your unique philanthropic goals.

You can also find more information on our website, www.cflouisville.org/scholarships.

COMMUNITY FOUNDATION OF LOUISVILLE

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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.

SUPPORT FEE

The Community Foundation's administrative support fee is assessed at the follow annual rates and withdrawn from the fund on a monthly basis:

Fee	Fund Balance
1%	on the first \$1.5 million, plus
.5%	on the next \$1.5 million, plus
.2%	on the balance exceeding \$3 million

Competitive scholarship funds shall be assessed a supplemental fee of 5% of scholarship grants awarded annually.

INVESTMENT FEE

The Community Foundation's Investment Committee works with an outside, independent investment consultant to manage our strategic asset allocation and monitor investment performance. The annual fee for this outside investment consultant is .06% (6 basis points). This fee is reported as a line item on the quarterly fund statements.

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