

## **Guide To Establishing A Scholarship Program**

The Viroqua Area Foundation helps donors to provide scholarship assistance to worthy candidates. This is best accomplished within a fund specifically designated for this purpose. The Foundation provides donors with a number of options and a great deal of flexibility when designing scholarship programs. We work with donors to customize a scholarship program that will fulfill their personal philanthropic aspirations and meet the needs of worthy students, while ensuring that the donors and the foundation are following IRS regulations and legal guidelines. The following are several items to consider when establishing a scholarship program:

### **Name of the Scholarship Fund**

Examples:

- Ben Oliver Memorial Scholarship Fund
- Dr. De Verne and Betty J. Vig Music Scholarship Fund
- Dr. Robert and Janet Starr Scholarship Fund
- Liberty Pole Scholarship Fund
- Fred and Liz Nelson Scholarship Fund

### **Purpose of the Scholarship**

Examples:

- To provide scholarships for graduating seniors at Viroqua High School who will be attending a four-year college or university
- To provide scholarships to one or more graduates of Viroqua High School who will be attending a Technological University
- To provide scholarships to students from Viroqua High School based on their community service
- For the benefit of WTC, Western Technical College, to provide scholarships for students in the Associate Degree Technical Nursing program

### **Eligibility Criteria**

Eligibility criteria determine whether or not an individual meets qualifications to apply for the scholarship. In order to ensure an adequate pool of potential recipients, donors are encouraged to be as general as possible when establishing these criteria. Criteria to consider:

- Graduating high school senior in a particular school, school district, or community
- Field of study
- Student pursuing an advanced degree
- Enrollment status: full-time or part-time

- Enrollment in a particular college or system (i.e. any school in the UW System)
- Academics: minimum grade point average or grade point range (i.e. 2.5 or 3.0 on 4 point scale)
- Financial need
- Extracurricular involvement

### **Selection Criteria**

Selection criteria are used to identify the most qualified applicants for a particular scholarship.

Examples of selection criteria include:

- Financial need
- Grade point average
- Class rank
- ACT/SAT scores
- Extracurricular involvement
- Community activities
- Awards and recognition
- Work history
- Special circumstances
- Demonstrated talent, leadership
- Letter of recommendation from a teacher or other adult

### **Award Amount**

The size of the award and number of awards given is determined in part by the funds available. The donor(s) may wish to provide some direction regarding future changes to the scholarship fund should the distribution amount available change significantly (increase amount or number of awards given).

### **Duration of the Award**

The scholarship may be a one-time award; a multi-year award, renewable each semester; or a multi-year award, renewable annually. If the scholarship is a one-time award, the award is given to the recipient at the completion of the fall semester following graduation from high school and proof of enrollment the consecutive semester is also provided at that time. One-time awards are given to the recipient within one year of high school graduation.

### **Renewal Criteria**

Scholarship programs may be established as one-time awards or renewable scholarships. In order to renew a scholarship, typically a student must verify enrollment in school for the next semester and achieve a minimum grade point average.

### **Application Procedures**

Options for consideration when establishing application procedures:

- Staff prepares a customized application form
- Students notify school guidance counselors of their interest in being considered for a scholarship

- No application required by students - school counselors make a selection based on knowledge of students and input from teachers

**Future** All scholarships are listed on the Viroqua Area Foundation website (the website is being developed ) for the convenience of students seeking scholarship opportunities. If an application form is required, students may download and print the application from the website.

### **Selection Procedures**

The process of selecting scholarship recipients can be managed in several ways. Some examples are:

- Selection is done by the high school guidance department (with or without an application form) or by the college or technical school in which the student is enrolled
- A selection committee is assembled to review written applications and select scholarship recipients. Donors wishing to be involved in the selection are encouraged to do so **as long as they constitute a minority of the committee**
- In addition to reviewing applications, the selection committee interviews students before selecting scholarship recipients
- Foundation staff use an objective rating system, such as grade point average, to select scholarship recipients
- There is a common application form filled out by Viroqua area students that can be reviewed if you do not want students to fill out an individual application form for you scholarship

### **Award Notification**

Recipients may be informed of the scholarship award in a variety of ways:

- Recipients are notified of the decision by a Viroqua Area Foundation Board member, in writing, on behalf of the selection committee
- Students receive first notification at the school's scholarship award ceremony
- A member of the selection committee contacts the recipient via home phone or in person, followed by a letter from the Foundation

### **Procedures for Receiving Award**

Legal guidelines and IRS regulations require compliance in the following areas:

- All students must verify enrollment in a college or university before the scholarship check can be released by the Viroqua Area Foundation
- All students must verify completion of one semester or one quarter of schooling with a "C" average from the college or university
- The student has completed the first semester as a full-time student and is enrolled the second semester as a full-time student
- All checks are made payable to the college or university the student is attending
- All checks will be distributed to the student, made payable to the college or university, after the high school guidance councilor has contacted the Foundation Treasurer with the name of the recipient of the scholarship and after the student/recipient has contacted the Foundation Treasurer with the enrollment

verification for the next semester/quarter and the grades from the prior semester/quarter

### **Special Consideration**

A donor interested in establishing a scholarship that will provide financial support for persons who are currently underserved by scholarship programs may wish to consider:

- Non-traditional students - adults returning to school
- Persons in need of re-training
- Students with a lower grade point average
- Graduate students
- Study abroad (note: check must be payable to a college or university in the United States)

### **Establishing a Named Scholarship Fund**

A contribution/gift must be \$10,000 or more for a named fund. Endowment funds will begin with a contribution/gift of a minimum of \$1,000 with the intent of a contribution/gift of \$1,000 each year for the next 10 years. When the fund reaches \$10,000 it will become a named fund. The contribution/gift will be held in the Foundation General Fund until the \$10,000 commitment has been met. Contributions/gifts under \$10,000 will be placed in the Foundation General Fund unless there is a commitment to reach the \$10,000 amount.

### **Viroqua Area Foundation Contact Information:**

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