



SCHOLARSHIPS

Endowed Scholarship

- Monies given directly to students solely on the earnings (typically around 4.5%).
- Minimum gift amount to establish is \$25,000; amount can amass over multiple years, no more than 5, to fund \$25,000. The scholarship will not start funding until it reaches \$25,000.
- Advantage:
 - Permanent scholarship that can impact generations to come.
 - Family members/friends can give towards this scholarship to honor their family members' intention.
 - Donor can continue to build this scholarship over the years and leave it in their estate plans.
- Example:
 - *Smith Family Scholarship* established with an initial gift of \$25,000. The student will receive \$1,250 in scholarship reward the next year. Over time, the scholarship reaches \$100,000 and the student will receive \$5,000 per year. An estate gift of an additional \$200,000 will allow three students to receive this scholarship at \$5,000 a year, forever!

Term-Endowed Scholarship

- Monies given directly to students is a *combination of both* earnings and principle, determined by the length of the term-endowment.
- Commitment to the term of 10-25 years; minimum gift amount to establish is \$100,000.
- Advantage:
 - Scholarship will make an impact over a significant amount of years.
 - Family members/friends can give towards this scholarship to honor their family members' intention.
 - Donor can continue to build this scholarship over the years and leave it in their estate plans.
 - Donor can see the impact of this scholarship during their lifetime.
- Example:
 - *Smith Family Scholarship* established with an initial \$500,000 given by multiple donors over 3 years. Once the 15-year term-endowment disperses, both earnings *and* 1/15 of the principle will be dispersed each year. After the 15 years, the entire principle and earnings will be given to students.

Current Use Scholarship

- Minimum gift is \$5,000 per year; encourages a 3-year commitment up front to support student recipient(s) until graduation.
- Gift funding deadline of April 1 and October 1 for funds to be given away the following semester.
- Advantage:
 - Immediate impact of giving—money is received and dispersed to students straightaway.
 - Donor can see the impact of their giving and fund more students instead of building up endowment.
 - Donor can change the scholarship to an endowment with an estate gift.
- Example:
 - *Smith Family Scholarship* established with an initial gift of \$5,000 and a 3-year commitment. Student receives a scholarship of \$5,000 per year until they graduate. Donor can choose to increase the scholarship fund to \$10,000 or more at any time to affect and bless more students.