CHAPTER SCHOLARSHIPS: WHERE DO WE BEGIN?

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TOPICS FOR DISCUSSION
• Program Intent
• Funding Strategies & Considerations
• Legal Implications
• Program Development
• Program Management
• Performance Measures

POLLING QUESTION
Does Your Chapter have a scholarship program?

☐ Yes
☐ No
POLLING QUESTION

What is your program objective?

- Students
- Member Classes
- Member Professional Development
- Certification

WHAT ARE YOUR OBJECTIVES?

- Engage Students
- Increase Member Engagement
- Increase Certified Membership
- Increase Formally Educated Membership
- Supplement Agency Professional Development Budgets
- Support New Members
- Support Seasoned Members
- Support Retirees
WHAT ARE THE NEEDS OF THE MEMBERSHIP?

• What agencies are in most need of funding?
• What percentage of membership is retiring within the next 5 years?
• What percentage of membership is eligible for certification?
• What percentage of membership is not yet eligible for certification?
• Are you able to recruit interns and students?

HAVE YOU PERFORMED A NEEDS ANALYSIS?

FUNDING
Strategies & Considerations

POLLING QUESTION

How do you fund your programs?
- Trade Shows
- Reverse Trade Shows
- Fund Raisers
- Operating Budget
HOW WILL YOU FUND THE SCHOLARSHIP?

- Reverse Trade Shows
- Traditional Trade Shows
- Speed Buying ®
- Fund Raisers
- Golf Tournaments
- Social Events
- Corporate Sponsorships
- Soliciting Contributions

HOW WILL YOU MANAGE THE FUNDS?

- Co-mingled funds
- A separate account
- Endowments/ Investments
- Funds disbursed as expenditures
- Funds processed as reimbursements
- Will funds roll from year to year? For how long?
REGULATORY CONSIDERATIONS

- Consult with your Chapter Accountant or Taxing Authority
- IRS rules are designed to make sure that scholarship programs benefit a broad charitable class of beneficiaries and that the process is non-discriminatory.
- Any scholarship that you give directly to an individual student must meet special rules so the money does not count as taxable income for them. The student will have to verify that the scholarship is spent only on tuition, fees, or supplies. Also, the student must be pursuing a degree at their college or university. It is advisable that these funds be paid directly to the student’s school.
- You must ensure that any non-U.S. citizen who receives a scholarship is not on a published “Specifically Designated Nationals” terrorism watch list.
  - https://sanctionssearch.ofac.treas.gov/

- The type of scholarship funds that chapters generally provide to chapter members—awards to attend a professional conference or training session, which may include registration fees and travel and lodging expenses—are likely taxable as income to the recipient.
- It is the responsibility of the recipient, and not the chapter to determine whether and to what extent the award must be included in the recipient’s income for income tax purposes.
- The Chapter is obligated to issue a Form 1099-Misc for each person to whom the chapter has paid at least $600 in prizes, awards, and other income payments during the year.
PROGRAM TYPES

- Student Scholarships
- Limited Purpose Scholarships (Forum, Certification, etc.)
- Point Accrual Scholarships
- Merit Based Scholarships
- Award Benefits
- Competitive Scholarships
- Agency Scholarships
- Lottery Scholarships
- Grants
- Subsidies
- Sponsorships
- Contests

ELIGIBILITY CRITERIA

- Length of Membership
- Attendance
- Geographic Limits
- Agency Size/Budget Constraints
- Chapter Contributions
- Employment Status
  - Employed, transitional, retired
- Access to other available benefits
  - (e.g., employer funding or tuition reimbursement)

POST AWARD OPPORTUNITIES

- Publish Articles
- Collect Testimonials
- Obtain a Commitment
PROGRAM DOCUMENTS

- By-Laws (Major Program)
  - Protect Major Funding
  - Member Eligibility
- Policies
  - Approved Uses
  - Eligibility Criteria
- Procedures
  - Deadlines
  - Applications, Back-up Documentation and Logs

BREAK FOR QUESTION AND ANSWER

mine yours ours

PROGRAM MANAGEMENT
DO YOU HAVE SUSTAINABLE RESOURCES?
POLLING QUESTION

How many resources do you have to manage this program?

- 1
- 1-3
- 3-5

IS MY PROGRAM SUSTAINABLE?

- Is our funding consistent?
- Is my volunteer base adequate and consistent enough to manage this program from year-to-year?
- Do we have resources for marketing?
- Do we have mechanisms for tracking?
- Can we make timely disbursements?
- Do we have resources to thoroughly audit applications?
- Do we have resources to thoroughly audit the program?
- Can we comply with IRS requirements and deadlines?
- Do we have consistent applicants?
MEASURING EFFICACY

• Regular Survey & Continual Program Improvement
• Follow-up on award
  • Certifications Achieved
  • Degrees Awarded
• Routine Needs Analysis
  • Compare Results
• Testimonials