

**Procedural Guidelines
for
Donor-Initiated, Named Scholarships
at
Grand Valley State University**

POLICY

Grand Valley State University welcomes the opportunity to assist individuals, families, businesses, and other organizations in establishing memorial, honorary, and named scholarships to benefit students and programs at the University.

All scholarships established by donor-initiators through Grand Valley State University must be compatible with the mission and standards of the University and be consistent with its long-term direction and values. It will be the responsibility of the University to make the final determination of the appropriateness of all named and donor-initiated scholarships. All scholarships accepted by Grand Valley State University must be in compliance with state and federal laws.

Named and donor-initiated scholarship agreements must be signed by the President or Executive Officer of the University. The President of the University is authorized to waive any and all provisions of this policy, except compliance with state and federal laws.

CRITERIA FOR ESTABLISHING SCHOLARSHIPS

- ◆ The minimum to establish an active, endowed scholarship is \$30,000. This threshold is effective for scholarships initiated after December 31, 2001.
- ◆ Effective December 23, 2006, Grand Valley State University is in full compliance with Michigan's Constitutional Amendment, Article 1 Section, 26. Specifically, the amendment states....that public University...shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of ...public education. Grand Valley can not accept a gift from a donor to establish a scholarship that would grant preferential treatment to any of the above mentioned groups.
- ◆ The minimum to initiate an endowed scholarship is \$5,000.
- ◆ The active endowment level of \$30,000 must be achieved within five years of the date of initiation. In the event the \$30,000 is not achieved within five years, the

Donor-Initiated, Named Scholarships (cont.)

accrued funds shall be transferred to the general scholarship endowment of the University.

- ◆ Scholarships may be established in memory of (or to honor) an individual, individuals, a family or an organization and may be restricted to a particular academic program or discipline.
- ◆ In the event that an academic program or discipline is eliminated by the University, the University reserves the right to realign the scholarship requirements to the next most related academic program or discipline. Scholarship agreements must contain provisions for alternate use of scholarship fund endowments in the event when the original intent of the scholarship is no longer valid and/or lawful.
- ◆ Potential scholarship recipients need to be members of a group or class large enough so that the scholarship does not result in private inurement on the part of the donor or in recharacterizing the scholarship as a personal gift.
- ◆ The University, in its sole discretion, will choose scholarship recipients even though the donor/initiators may be given an advisory role in the selection.
- ◆ Scholarship agreements shall be in the format as specified and developed by the Financial Aid office and University Development.
- ◆ These written policies and procedures for scholarships must be reviewed and revised as necessary at least every five years.

SCHOLARSHIP CONSIDERATIONS FOR DONORS

Types of Scholarships:

- ◆ Endowed Scholarships: Scholarships are gift aid, which may be awarded to undergraduate and graduate students. An endowment is a fund of corpus, which has been established for the purpose of providing scholarships for students. The principal shall not be invaded. Awards are made from endowment earnings subject to spending rates as determined from time to time by the University.
- ◆ Annual (Currently Funded) Scholarships: A contribution for an annual scholarship may be provided by an individual or an institution. It is a single corpus, which is to be expended for scholarships awarded according to criteria established by the donor with prior approval of the President.

Listed below are suggested points to consider when establishing a scholarship through Grand Valley State University. Award criteria are set in accordance with the wishes of the donor subject to this policy and approval by the President.

Donor-Initiated, Named Scholarships (cont.)

Considerations:

- ◆ Must the recipient be from a specific geographic region?
- ◆ Should the scholarship be awarded to an incoming freshman, or will sophomores, juniors, seniors or graduate students be considered?
- ◆ Should the scholarship be limited to students who have reached their junior or senior year?
- ◆ Will this scholarship be available only to traditional students or can non-traditional students apply as well?
- ◆ Does the recipient have to possess a certain cumulative grade point average? From high school? (for entering freshmen) From college? (for sophomores, juniors and seniors).
- ◆ Should the applicant be majoring in a specific department or degree field? Which one?
- ◆ How should the recipient be selected? By department committee or by the Student Aid Committee?
- ◆ Is the scholarship renewable for subsequent semesters or years? If so, please specify the criteria for renewal.
- ◆ Does the recipient have to have a certain score on the ACT or SAT?
- ◆ Are letters of recommendation required? If so, from whom? (high school guidance counselor, college professors).
- ◆ Will financial need be considered when making this award?
- ◆ Will the applicant be required to write a letter of application to be considered for the scholarship?
- ◆ Does the applicant have to enroll in and/or complete a certain number of credit hours per semester?
- ◆ Will the applicant have to have graduated with an Associates degree from a community college?
- ◆ Will the applicant have to been involved in activities in their communities, or gone through a program such as TRIO?
- ◆ Will the applicant have participated in STEPS, AIME, FIRST, MATHCOUNTS or any other programs such as GRAPCEP, GEARUP Michigan or a similar program any time during the K-12 education?
- ◆ Does or did the applicant live in Section 8 or Section 236 housing?
- ◆ Are there any other criteria that the donor wishes to establish?