

Scholarships

Investing in deserving students



Scholarship Funds are an appealing way for individuals, families, businesses, and other groups of people to support education and strengthen the community. Whether you create a new scholarship program or contribute to one of the many existing ones, your gift can help students – from preschool to post-graduate – achieve their life-time dreams.

Establishing a Scholarship Fund

Working with a member of our staff, you (and your financial advisor, if you choose), follow these simple steps:

1. Identify the type of students you would like to assist and determine the best scholarship program option for you.
2. Complete a governing document. Our staff will help you to complete a document that makes your intentions clear.
3. Select a name for the fund. You can use your name, the name of a family member, the name of a favorite cause, or choose a name that allows you to remain anonymous.
4. Make a gift. You can give cash, appreciated stocks, real estate, or other assets. Alternatively, you can leave a testamentary gift to help students after your lifetime. You will receive a tax deduction at the time the fund is established and when you make additional contributions to the fund.
5. For standard and custom funds, work with our staff to determine the eligibility requirements, amount of awards, timeline, and other program details.

Valuing Education

A Donor Profile

Winifred Reynolds was a lifelong educator with a passion for early childhood education. She taught in Ft. Collins for many years and then returned to her home state of California to teach early childhood development at California Polytechnic State University. When she passed away in 2001 at age 93, she left a large bequest in her will to provide scholarships for students pursuing post-graduate degrees in early childhood education. In its first eight years, this fund helped 44 Colorado students attain their degrees and awarded over \$308,000 in scholarships. Ms. Reynolds recognized the need for future leaders in the field of early childhood education. Through her gift, she is helping to create these leaders even after her lifetime.



Gifts and Fund Administration

You can make a gift of cash, stocks, bonds, real estate, or other assets to The Denver Foundation to establish a scholarship fund. Your gift qualifies for the maximum charitable benefit under state and federal law. You can also designate a gift from a portion of your estate to The Denver Foundation and often receive a substantial reduction in federal gift and estate taxes.

The Denver Foundation will invest your gift in our unitized investment pool. This approach means your fund enjoys excellent investment management and diversification. Our investment performance has been strong, averaging over 10% per year over the last ten years.

We handle all of the administrative details related to the scholarship program including: advertising, creation of application or nomination forms, inquiries from parents and students, application processing, scholar selection and notification, check processing, record-keeping, and more. The Denver Foundation does not assist with fundraising for individual funds.

Fees

Moderate fees are charged annually for all funds. The general administrative fees currently range from 1.15 to 2 percent, depending on the type of fund, and cover expenses related to the administration of the fund. Because scholarship programs require a high level of additional administrative support, additional fees are also charged on some scholarship funds (see below).

<p>Option One Donor-advised Fund</p>	<p>Minimum Investment: \$10,000 Minimum Grant Amount: \$500</p> <p>With a Donor-advised Fund, you can recommend grants of any size to existing scholarship programs at schools or nonprofit organizations. If you like, you can also recommend grants for other charitable purposes to the nonprofit organizations of your choice.</p> <p>Fees: There are no additional fees</p>
<p>Option Two Designated Scholarship Fund</p>	<p>Minimum Investment: \$25,000 Minimum Grant Amount: \$500</p> <p>Select a qualified scholarship program at a school or nonprofit organization to receive an annual grant for student scholarships. This turnkey approach allows you to decide which program to support and at what level. Then, The Denver Foundation automatically makes the distribution you have designated each year.</p> <p>Fees: There are no additional fees.</p>
<p>Option Three Standard Scholarship Fund</p>	<p>Minimum Investment: \$100,000 Minimum Grant Amount: \$2,000</p> <p>Working with a Denver Foundation staff member, you determine the type of student you would like to benefit from the scholarship program and define selection and eligibility criteria. Then selected schools, organizations, or other entities nominate the scholarship recipients based on the guidelines that have been established. The Denver Foundation reviews all nominated students to confirm that the recipients meet the guidelines.</p> <p>Fees: Program set up fees start at \$2,000. Annual program fee is a minimum of \$500.</p>
<p>Option Four Custom Scholarship Fund</p>	<p>Minimum Investment: \$500,000 Minimum Grant Amount: \$2,000</p> <p>Working with a Denver Foundation staff member, you design a custom scholarship program that aligns with your charitable interests and goals. A custom program might include a specialized student application and a selection committee that meets to evaluate and choose recipients. In some cases, donors may serve on the selection committee.</p> <p>Fees: Program set up fees start at \$5,000. Annual program fee is a minimum of \$2,500.</p>

Other Important Details



For all Scholarship Funds:

- All scholarship recipients must be selected through a fair, equitable, standardized, and non-discriminatory application or nomination process. Scholarships cannot be issued to pre-selected individuals.
- Students who are related to, or have a financial relationship with, a donor to the fund, a selection committee member, or an employee or Board Member of The Denver Foundation are not eligible to receive a scholarship.
- Scholarships can support any area of academic need. Students who are degree candidates will generally not incur tax

liability for amounts applied toward tuition, books, and fees required for enrollment and attendance at their educational institution. Amounts used for incidental expenses, such as room and board, travel and non-required equipment, or for non-degree courses may be considered taxable income. Scholarship awards are paid directly to the Financial Aid Office at the recipient's school.

For Custom Scholarship Funds:

- By law, all selection committee members must be appointed by The Denver Foundation. Donors, their family members, and other individuals recommended by a donor may sometimes serve on the selection committee provided they make up a minority of the committee and do not control the committee, directly or indirectly.
- Scholarship programs can be established to assist the employees of a certain organization (or the children of employees). If you are interested in a program of this type, please ask us for information about the additional rules that apply to these programs.
- All scholarship award recommendations must be approved by The Denver Foundation. Selection committee members should understand that their recommendations are advisory and are not binding on the Foundation, which by law must retain final responsibility for all distributions made from the Foundation.

If you have questions or are interested in establishing a scholarship program, please contact Emily Stanley (303.996.7342 or estanley@denverfoundation.org) or Sharon Harper (303-996-7348 or sharper@denverfoundation.org with The Philanthropic Services Group of The Denver Foundation.

