 COMMUNITY FOUNDATION OF NORTHERN ILLINOIS	POLICY
	<h1 style="text-align: center;">SCHOLARSHIP POLICY</h1>

The following policy is related specifically to the Community Foundation of Northern Illinois (CFNIL) Scholarship Program. CFNIL's mission is to attract, preserve, and grow an endowment for the current and future needs of the people of Northern Illinois. CFNIL believes that endowed funds provide more charitable resources for the good of the community over the long term. As a result, CFNIL encourages contributions to build endowed funds.

Scholarship funds must be established by June 30th for an award to be made during the following scholarship cycle. This allows time for creation of the application materials and adequate promotion of the scholarship opportunity. CFNIL's Donor Services Department notifies donors annually of the amount available for distribution from the fund based upon the Foundation's spending policy.

## AUGMENTATION

Donors may make an augmenting contribution of any amount to an endowed scholarship fund to increase the scholarship amount in an academic year, provided that a 1-to-1 matching contribution is made to the endowment fund. Augmenting contributions must be accompanied by a letter stating the donor's intent to have the contribution split between an addition to the endowment and an augment of the scholarship amount. Augmenting contributions must be received by December 31<sup>st</sup> of the year prior to the academic year for which the scholarship will be granted.


Endowed scholarship funds may be created by groups or organizations. Members of the group or organization may make periodic contributions directly to CFNIL for the benefit of those funds. Those groups may elect to use up to 50% of contributions received in a 12-month period ending December 31<sup>st</sup> to augment scholarship amounts, provided that no donor has specified that their contribution was made solely to increase the endowment amount. Authorized representatives of a group must request the allocation of prior year contributions to augment the scholarship amount in writing prior to December 31<sup>st</sup> of the year prior to the academic year for which the scholarship will be granted.

All contributions and communications requesting scholarship augments should be directed to the attention of the Donor Services Officer at CFNIL.

## ELIGIBILITY AND RESTRICTIONS

CFNIL employees, Trustees and their immediate family members, as well as Scholarship Selection and Standing Committee members, are ineligible to apply for any scholarships offered through the CFNIL. Eligibility for scholarships is determined by the individual scholarship agreement or trust document for each scholarship fund, but the following minimum requirements apply unless otherwise specified in the fund agreement:

1. Applicants must be seeking an undergraduate degree (AA, BA, BS, etc.) or certification. Graduate students are only eligible when specified by the donor.
2. Applicants must attend an accredited public or private non-profit postsecondary institution. The accreditation must be appropriate for the degree, licensure, or other area

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of study to be completed. The accreditor must be recognized by the Council of Higher Education Accreditation and/or the U.S. Department of Education.

3. Unless otherwise stated, past recipients may reapply.

Applicants apply for scholarships through the CFNIL online application process when available. All application materials must be complete and received by the scholarship deadline in order to be considered. CFNIL will not accept applications that are ineligible, incomplete or late.

### COMMITTEES

The chair of the Board of Trustees of the Community Foundation of Northern Illinois appoints the chair of the Scholarship Standing Committee. Community Advisors are appointed to serve on a Scholarship Selection Committee by the Board of Trustees, with recommendations by the chair of the Scholarship Standing Committee, the Director of Community Investment, and scholarship staff. Both Scholarship Standing and Selection Committee members serve two 3-year terms, with the option of returning for additional terms at the discretion of the Scholarship Standing Committee chair. CFNIL will not publicly identify Scholarship Committee members as such, but reserves the right to recognize their role as volunteers.

Donor representatives may serve as Scholarship Selection Committee members. Donor representative participation is restricted to two representatives per committee in order to comply with the Pension Protection Act of 2006 (PPA) and are appointed by the Board of Trustees. Donor representatives may make up a majority of the review committee only as allowed under the “expert” clause of the PPA. CFNIL Trustees and Scholarship Selection Committee members who are donor representatives are exempt from term limitations.


The CFNIL staff will submit applications to selection committees using a double blind process for all scholarships for which the application process is administered by the Foundation. Scholarship Selection Committees review scholarship applications and recommend recipients to the Scholarship Standing Committee. The Standing Committee makes the final recipient recommendations to the CFNIL Board of Trustees for final approval.

### STAFF ROLE

The CFNIL scholarship staff will provide leadership and act as a resource to the Scholarship Committees as well as the liaison between scholarship applicants, the Scholarship Standing and Selection Committee members, and the Board of Trustees. Communication regarding scholarship requests must be made through the scholarship staff.

The scholarship staff oversees the screening of scholarship applications as they are received to determine whether applications are complete and meet established criteria. Any decision by the scholarship staff to decline an application and the rationale for that decision may be reviewed by the Scholarship Standing Committee and/or CFNIL Board of Trustees.

### PAYMENTS

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CFNIL makes scholarship payments directly to the education institution for the benefit of a scholarship awardee. Occasional exceptions may be granted by scholarship staff on an as-needed basis.

CFNIL issues one payment per academic year to be used for the full cost of attendance as determined by the education institution, including both exempt expenses (tuition, fees, books, and equipment) as well as non-exempt expenses such as room and board. No funds may be refunded to the student without the written consent of CFNIL and then only for the allowable expenses listed above.


Funds that are not awarded in a given year are returned to the principal of the scholarship endowment. CFNIL Grants Officers are authorized to delay part or all of an award payment for up to one academic year if requested by the recipient. Unless a delayed payment is requested, awarded funds that are unused by the recipient after one year must be returned to CFNIL and added to the original fund's principal.

Renewable scholarships and delayed payments are subject to annual approval after proof of adequate academic progress has been submitted to CFNIL. Grants Officers are authorized to make the determination of adequate academic progress and to approve renewable and delayed payments. For renewable scholarships, recipients can request to delay all or part of their payments, but any funds remaining unspent after one academic year past the original timeline of the scholarship must be returned to CFNIL and added to the original fund's principal. Exceptions may be approved by CFNIL Grants Officers in extraordinary circumstances.

If award requirements, such as proof of academic progress or official financial aid documents, are not satisfied by the date determined by CFNIL staff, the award for that year will be revoked. For one-year awards or the first year of a renewable scholarship, the scholarship will be revoked and go to the alternate. For renewable scholarships in the second year or later, the recipient will forfeit that year's award payment and funds will return to the principal. They can receive award payments for subsequent years by completing the requested requirements.

### CRITERIA FOR SELECTION

The criteria to be used in selecting scholarship recipients from a fund established at CFNIL must be appropriate to accomplishing the underlying purpose of the scholarship as described in the fund agreement and consistent with CFNIL's mission and tax-exempt status. Such criteria may include, but are not limited to, the following: prior academic performance; applicant performance on standardized tests; recommendations from instructors of the applicant and any others who have knowledge of the applicant's capabilities; additional biographical information regarding an applicant's career, academic and other relevant experiences; financial need; and conclusions which the Scholarship Committee may draw as to the applicant's motivation, character, ability, or potential. Criteria may also include the applicant's place of residence, past or future attendance at a particular school, responses to specific questions or essay prompts, past or proposed course of study, or evidence of his or her artistic, scientific or other special talent. Donors may establish criteria that gives preference to applicants of a particular sex, race, ethnic background or religion so long as such preference does not violate public policy and additional selection criteria are not overly restrictive.

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## APPLICANT PRIVACY

Generally, CFNIL will disclose the identity of scholarship recipients, the amount awarded, biographical information provided in the application, and/or affiliation with education institutions to the public. Additional information, such as contact information, may be released to donors. Applicants must consent to this disclosure as a condition of applying for the scholarships, but recipients may request that their contact information remain confidential when they are notified of the award.

CFNIL will not disclose the identity of scholarship applicants except as necessary to process the application. CFNIL will not disclose or discuss confidential information provided by applicants for scholarships.

Adopted by the Board November 15, 2017.

Reviewed by Board Secretary:



Jon Bates

## REVISION RECORD:

REVISION	DESCRIPTION	REVISION DATE
01	Document reformatted and reorganized to remove procedural elements and update policy statements. Separate augmentation policy is added to this document and the separate policy is eliminated.	01/18/2016
02	Sections on Criteria for Selection and Applicant Privacy added.	08/17/2016
03	Sections on Eligibility and Restrictions, Committees, Payments, and Applicant Privacy updated.	11/15/2017

## REVIEW RECORD:

REVIEW DATE