

POLICIES AND PROCEDURES

Subject: Endowed and Sponsored Scholarship Fund Reference: G-X-1

Source: President Eff. Date: September 25, 2015

Approval Auth.: President Approved: _____

Remarks: Replaces previous policy dated February 9, 2001

Date: September 24, 2015

With the exception of the Follett Merit Scholarship, overseen by the President, endowed and sponsored scholarships for McLennan Community College students shall be established and administered by the McLennan Community College Foundation and the Vice President of Student Success with support from the Office of Financial Aid and the College's Scholarship Committee. There shall be two types of endowed scholarships, as follows:

SPONSORED SCHOLARSHIPS

To help students further their education, a donor/sponsor may contribute any dollar amount for this purpose. If the gift is intended for a particular student, Internal Revenue Service regulations shall be explicitly followed and prior approval of the Executive Director of the McLennan Community College Foundation shall be required before the gift may be accepted.

Scholarships shall be awarded to qualified students by the Scholarship Committee, in accordance with the guidelines established by the Director of Financial Aid and the Executive Director, McLennan Community College Foundation.

NAMED SCHOLARSHIPS

A scholarship named according to the wishes of the donor may be established with a pledged minimum endowment of \$20,000. No minimum *initial* cash donation is required; however, if there are no contributions for two years (and the corpus remains under the original minimum endowment amount), any funds previously contributed will be transferred to the MCC Foundation's general endowed scholarship fund.

Once funded, the amount awarded for scholarships will be up to 5% of the values of the scholarship fund as of August 31 of the preceding fiscal year. Unless the donor(s) has otherwise requested,

if the values in any scholarship fund falls below the original endowment amount (after original funding is complete), no scholarship awards will be made until the original corpus amount has been restored.

Selection of scholarship recipient(s) shall be the responsibility of the Scholarship Committee and subsequent approval of the Executive Director of the Foundation except in cases where the donor(s) selects a recipient and does not violate IRS regulations. Eligibility criteria shall be determined by the donor(s); however, if none are specified, the general guidelines for awarding scholarships shall be followed by the Scholarship Committee.

McLennan Community College reserves the right to provide final approval of all scholarship eligibility criteria.