

# Whatcom DOLLARS *for* SCHOLARS

A program of



Whatcom  
Community Foundation

## Scholarship Selection & Distribution Process

### Step 1: Create the Scholarship

1. Collect information and criteria for the new scholarship, and create Letter of Intent
2. Donor(s) edit and sign Letter of Intent and provide funds
3. Scholarship information is entered into Chapternet online system, and is available online at [www.whatcom.dollarsforscholars.org](http://www.whatcom.dollarsforscholars.org) when scholarships go live (typically early February)

### Step 2: Promote scholarships to potential applicants

1. Meet with school counselors around Whatcom County and distribute posters to promote scholarships
2. Send emails to all school counselors and contacts when scholarships go live
3. Plan “help sessions” for students at any high school that requests one
4. Issue press releases about scholarship availability
5. Ask WDFS committee members to promote scholarships to their contacts within the schools

**Step 3: Score Scholarship Applications** – Selection Committee members do not see the names of any of the applicants. All applications are assigned a number, and only staff has access to the identity of the applicant to keep the scoring process objective and nondiscriminatory.

1. Community members meet to score each goals essay, reference, and unusual circumstances essay according to a scoring rubric. Each essay is read and scored by at least 2 volunteers.
2. Selection committee members review all of the scores, and begin matching eligible applicants with available scholarships. The criteria and story of each scholarship is reviewed by the committee as part of this process.
3. Selection committee members work with counselors at local high schools, if/when clarifications are needed on any application.

### Step 4: Select Scholarship Recipients and hold Awards Event

1. Scholarship recipients are selected and notified of their award.
2. All recipients and donors are invited to an Awards Event.
3. Staff meets with recipients at each high school to provide information about their award, and to fill out all required paperwork.

*Note: Most of the students attend the awards ceremony, but there are sometimes conflicts which prevent the student from attending. All donors will receive information about the student who received their award even if they can't attend the awards event.*

### **Step 5: Collect Proof of Student's College Enrollment and Distribute Funds**

1. Each scholarship recipient is required to provide a transcript of their first semester or quarter of college, and proof of enrollment for the next quarter or semester prior to the funds being released.
2. Special arrangements are sometimes made if a student has to defer college enrollment for a year, and our staff will stay in touch to see if they enroll the next year.
3. There are some occasions when a student ends up not attending college as planned, and therefore is unable to use the scholarship. If that happens, our staff will be in touch with the donor to decide how best to use those funds.

### **Donor Involvement**

Individuals, organizations or companies that establish permanent scholarship funds may be involved in a number of ways, such as participating on the selection committee, presenting at award ceremonies, helping with publicity about the scholarships, receiving updates from students, etc. However, recent regulations have clarified that donors and related parties may not control the recipient selection process, and no donor or related party may receive a scholarship from the fund. *Donors* are defined as any individual, family, organization, group, or company that establishes or contributes to a scholarship fund. *Related parties* are the immediate and extended family of the donor and their advisors, attorneys, official delegates, etc.

Examples of donor involvement that are not allowed under the regulations include funds established by professional or alumni groups for which members of the group serve as the selection committee; funds established by corporations with selection committees consisting of corporate employees; funds established by a family with recipients selected by members of that family; and funds established by churches or other charities with selection committees comprised of the boards of the organizations. In order to operate legally and avoid fines and penalties, any fund with active donor involvement must meet all the following tests:

- The Foundation officially appoints all of the members of the committee and the donor's advice is given solely as a member of the committee;
- The donor and/or related parties do not control the committee directly or indirectly; and
- All scholarship grants are awarded on an objective and nondiscriminatory basis using a procedure that has been approved in advance by the board of directors of the Foundation and that meets the IRS-defined requirement for grants of this type.