



## Scholarship Guidelines for Donors

*The ACC Foundation exists to aid students with a demonstrated financial need in reaching their educational goals, while supporting the mission of ACC.*

### Intent

Many individuals, businesses and organizations wish to establish named scholarship funds for various reasons, which may include:

- Honoring or memorializing a particular person;
- Ensuring donations target a particular group of students (curriculum or geographic area, for example); and
- Ensuring recipients understand the source of the donations (XYZ Company scholarship, for example).

### Guidelines

- For a one-time named scholarship, the minimum donation is currently \$1,000. This type of scholarship can be funded and re-awarded year after year, if the minimum donation threshold is met.
- For an endowed (permanent) named scholarship, the minimum donation is currently \$20,000, which may be funded over a period of up to four years. Because the scholarship is funded through endowment earnings (interest, dividends and market gains), the scholarship must have a reasonable time to “earn” before being awarded.
- Donors should be aware that it costs \$3,500-\$5,000 for a curriculum student to attend ACC full-time for a year. However, many students attend part-time due to work, family or other commitments.

### Other

- In general, ACC students receiving ACC Foundation financial aid must have at least a 2.5 grade point average and a 75% course completion rate (courses are not dropped or failed). They also must demonstrate need. It is acceptable to deviate from these guidelines, however most donors find these default parameters acceptable.
- Most ACC Foundation named scholarships cover tuition, fees, textbook and instructor required supplies. It is acceptable to deviate from these guidelines, however most donors find these default parameters acceptable.



### Award process

- The ACC Scholarship Committee awards the scholarships. In some cases, donors wish to review applications and make recommendations. However, in those cases donors should realize that the turn-around time is brief and students may be dropped from preferred classes if the financial aid decisions aren't made within a defined period of time.
- In no case may the donor choose a student for a scholarship they have funded. The IRS defines such payments as a gift to a particular individual and does not consider the payments charitable donations.
- ACCF scholarships may only be awarded to students attending ACC. Tuition and fee awards are made directly to the ACC Business Office, not to the student. Book and supply awards are made directly to the ACC campus book store (Follett) and not to the student. If more is awarded than is needed by the student, the amount stays with the ACC Foundation and is reinvested for use by the next student.
- ACCF scholarships awarded in the summer for fall semester, are automatically re-awarded to students for spring if the student maintains grades and completion rates. If the scholarship has insufficient funds for spring semester, the award will be supplemented by another named scholarship or by unrestricted funds. Awards for summer require all interested students to reapply. Students must also reapply each year for fall semester.

### Fund Management

- Endowed scholarships: At the end of each annual accounting period, an amount up to 5% of the three year rolling average of the value of the fund, as existing at the end of each annual accounting period, will be made available for use in the named scholarship. Excess and unspent earnings, above the 5% of the three year rolling average, will be reinvested for future spending. Funds will be invested following the allocation strategy set by the Investment Committee of the ACC Foundation.
- One-time or restricted scholarships: Funds are held in a liquid account so that funds are ready to be spent within the year.

### Acknowledgement

- Students receiving support through a named scholarship will send thank you notes to the contact individual(s). Donations and the endowment (if relevant), will be listed in the ACC Foundation Annual Report.

### More information

Carolyn Rhode, Executive Director, 336-506-4128 or [carolyn.rhode@alamancecc.edu](mailto:carolyn.rhode@alamancecc.edu)

Thank you!

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