

How to Create a Scholarship at West Chester University

1. Decide whether you want *an Endowed Scholarship* or an *Annual Scholarship*.

Annual Scholarship gifts provide financial support to students to meet their education costs (e.g., tuition, room and board, books, fees, etc.). There is a no minimum gift requirement to start a scholarship fund and the gifts contributed to such funds are usually awarded within a year. When the gift funds are depleted, the scholarship is closed.

Example: John Smith contributes \$1,000 and asks that those funds be awarded to a deserving student during the coming semester.

Endowed Scholarships are favored by donors interested in leaving a permanent legacy. An endowed scholarship is a fund bestowed upon an institution for the specific purpose of providing scholarships in perpetuity. Rather than spending the gift, the funds are invested and only a percentage of the endowment's market value is awarded as a scholarship each year. **Creating a named endowed scholarship requires a contribution totaling \$20,000 or more.**

Example: Mary Jones contributes \$20,000 to create an endowed scholarship fund in honor of her mother. Each year, a percentage of the endowment's market value is awarded to a student

2. Give the scholarship or endowed scholarship a name and provide biographical background.

Example: The Mary Smith Endowed Scholarship
Mary Smith was a 1949 graduate of West Chester. She was an Elementary Education Teacher for 35 years in the XYZ School District. Mrs. Smith was voted Teacher of the Year in 1960. She retired from teaching in 1970, etc.

NOTE: Scholarship recipients are informed about the background of the person or organization for whom the scholarship is named.

3. Create the criteria for the scholarship.

Example: The Mary Smith Endowed Scholarship will support a first-year, female student majoring in Education with a minimum GPA of 3.0 and demonstrated financial need.

NOTE: It is recommended that donors avoid complex criteria.

4. Decide on the application process.

Example: Students with at least two remaining semesters are eligible to apply. Donors can request that applicants submit an essay, audition, or use the official Financial Aid Application.

NOTE: Experience shows that a simple application process is best.

5. Decide on the amount of the award and when the first scholarship will be awarded.

Example: \$1,000 split evenly between the fall and spring semesters beginning in fall of 2015.

6. If it is an endowed scholarship, decide on the investment strategy for the principal.

Example: Aggressive or Conservative

NOTE: A Foundation staff member will provide you with information on the options.

7. Based on the beneficiary and/or the criteria of the scholarship, a University Manager will be assigned to administer the scholarship according to the criteria and application process established.

With assistance from WCU Foundation staff, donors must complete page two of this document which provides information based on the steps outlined above. The completed form serves as the official WCU record of the newly established Annual or Endowed Scholarship.

For additional information or assistance, please contact **Lauren Deacon at 610-436-2868 Ext 3250** or by email at ldeacon@wcufoundation.org.