

Scholarship Award Distribution Practices



The North Carolina Community Foundation's standard policy is to distribute 5% of each scholarship fund's average balance from the past three years. All scholarship administrators are sent an email at the beginning of the year indicating the amount available for spending based on the current 5% distribution rate.

Contributions to Enable Additional Distributions

Donors may make “pass through” contributions to scholarship funds to enable distributions above the Foundation’s 5% annual calculation. To comply with federal law, any “pass through” contributions must be received before the closing date of the scholarship.

Any intention to make a “pass through” contribution to a fund should be communicated by the fundholder, fund contact or scholarship administrator to NCCF prior to being made. Donations should also be clearly marked as “pass through” for the desired scholarship year when made.

Minimum Scholarship Distributions

The Foundation’s current minimum scholarship award is \$1,000. Funds are divided equally across the fall and spring semesters and are paid directly to students’ schools.

Where Scholarships May Be Made

The Foundation makes scholarship awards directly to U.S. academic institutions accredited by the Department of Education that qualify to receive federal student aid funding, including grants, loans, and work-study. NCCF scholarship awards are only issued to not-for-profit institutions and government entities such as public colleges or universities.

Due Diligence

All scholarship recipients must verify enrollment and other pertinent information by submitting a Scholar Information Form for each award received before the scholarship check is issued. The form can be found on the NCCF website, and students will also be emailed a link to the form and instructions for completion. Students who fail to complete the Scholar Information Form by Aug. 31 forfeit their scholarship award.

Confidentiality

Maintaining a fair and confidential scholarship selection process is critical. Confidentiality is expected from scholarship administrators and committee members regarding the selection process, fund information, and student information. If an outside party contacts you with a question about the process or the fund, please alert a member of the NCCF team.

Diversity

To effectively serve the charitable interests of North Carolina’s diverse people, cultures and communities, the North Carolina Community Foundation continues to seek and retain staff, board and committee members, donors and volunteers who are representative of all North Carolinians.

The Foundation takes care that its community leadership efforts and grants and scholarships programs address a variety of causes and constituencies and that its policies and practices do not promote

exclusivity. We encourage scholarship selection committees to be comprised of volunteers reflective of the communities and constituents served.

Conflicts of Interest

All NCCF Scholarship Committees are expected to avoid any situation that might appear to be a conflict of interest. As such, members are asked to carefully weigh all circumstances and relationships in which there exists the possibility of any accusation of self-interest by asking themselves: Are you, a relative, or a close friend related to any scholarship applicant? Could you, a relative, a close friend or a client obtain a personal gain or advantage from the result of the scholarship award?

If the answer to either question is “yes,” committee members must (1) announce that they will not participate in the discussions on the student and that they will abstain from voting, (2) if asked to do so by Scholarship Administrator, leave the room while the student is being discussed, and (3) document the conflict of interest in minutes of the meeting. If you have any questions or concerns about a conflict of interest, please consult with NCCF staff.