

2009-2010

Priority I: First-time Applicants

Guidelines and Application



**Community Scholarship
Matching Grant Program**

Higher Education Coordinating Board
917 Lakeridge Way, P.O. Box 43430
Olympia, Washington 98504
360-753-7846

Deadline: April 15, 2010

W A S H I N G T O N
**H I G H E R
E D U C A T I O N**
C O O R D I N A T I N G B O A R D

FIRST-TIME APPLICANTS MATCHING GRANT PROGRAM GUIDELINES

INTRODUCTION AND PURPOSE

The state-funded Community Scholarship Matching Grant Program (CSMG) provides \$2,000 matching awards as an incentive for non-profit, community-based organizations to raise local dollars for college scholarships. Funding is available for 100 grants for the 2009-2010 year. Organizations that have not previously received the matching grant receive highest priority.

The matching grant is intended primarily as an incentive to encourage communities to establish non-profit scholarship organizations for the purpose of raising local funds and awarding local scholarships. The grants are expected to encourage community support for higher education and are an expression of the state's interest in supporting local scholarship fundraising efforts.

The matching grant creates opportunities for local residents to serve their communities in a way that benefits young people, who are just beginning their adult lives, and the many adults in the community who are just now re-entering the education system. A local community scholarship program also provides a vehicle for local residents who want to give money to the community.

Dollars for Scholars® is a national program of *Scholarship America*, the nation's largest non-profit private sector scholarship and educational support organization. The staff members of Northwest Dollars for Scholars have provided resource materials, technical support and on-site assistance to over 280 communities in Washington and Oregon that were interested in forming local scholarship foundations. State law gives preference for CSMG awards to organizations that affiliate and are in good standing with *Northwest Dollars for Scholars*.

AWARD PRIORITIES FOR THE 2009-2010 YEAR

The Higher Education Coordinating Board has established three priority groups. Filling out the attached application qualifies the organization for consideration under the **Priority One** group.

Priority One

Eligible organizations that have not previously received the matching grant.

Priority Two

Previous recipients of the matching grant who have raised additional dollars for a scholarship endowment fund.

Priority Three

Previous recipients of the matching grant who have raised additional dollars for student scholarships.

ELIGIBLE ORGANIZATIONS

To be eligible for a matching grant, a community organization must:

- Have a community-based higher education scholarship program and have raised at least \$2,000 in new funds for student scholarships between April 1, 2009 and April 15, 2010. (\$2,000 must have been raised at the time application is submitted.) Funds raised do not include endowment or other investment interest.
- Have maintained tax exempt status under section 501(c)(3) of the Internal Revenue Service Code. (There are many tax-exempt IRS categories. The 501(c)(3) is the exemption for charitable organizations.)
- Award student scholarships without regard to age, sex, marital status, race, creed, color, religion, national origin, or the presence of any mental, sensory, or physical handicaps.

APPLICATION AND SELECTION PROCEDURES

Organizations will be selected on a first-come, first served basis until the April 15, 2010 deadline. Preference is given to those organizations that affiliate with Dollars for Scholars. A complete application will include the following:

- ✓ A completed matching grant application.
- ✓ A copy of the organization's approved by-laws.
- ✓ A list of names, addresses, and occupations for the Board members of the organization.
- ✓ A copy of the community organization's IRS 501(c)(3) tax exemption letter or Scholarship America / CSFA tax-exemption letter. (It is the organization's responsibility to document its IRS exemption.)
- ✓ A copy of the community organization's student scholarship application form **and a written methodology statement used for recipient selection.**
- ✓ Copies of bank statements or other documents verifying a minimum of \$2,000 raised for student scholarships since April 1, 2009. Documents indicating both beginning and ending dates of this fundraising are required.

GRANT DISBURSEMENT AND REPORTING

The Higher Education Coordinating Board will disburse the \$2,000 matching grants to the community-based scholarship organizations as they are selected.

Organizations provided with matching funds are expected to name awardees for both their \$2,000 match and the state's \$2,000 grant, for a minimum of \$4,000, during the current academic year for student use in the 2010-11 academic year. The state's share must be awarded to students planning to enroll in higher education institutions *in Washington*.

The Higher Education Coordinating Board (HECB) will include a *report form* when it disburses the matching grant. Complete and return the report to the HECB by June 18, 2010. The report will document the scholarships awarded to students from both the state grant and the community organization's match.

HECB Contact: Dawn Cypriano-McAferly, Program Manager dawnc@hecb.wa.gov or 360-753-7846

ORGANIZATIONAL GUIDE FOR 501(c)(3) TAX EXEMPT STATUS

The following is a guide to basic procedures for community groups which wish to either develop a community scholarship organization independently or through affiliation with Northwest Dollars for Scholars.

NORTHWEST DOLLARS FOR SCHOLARS (NWDS)

1. Contact NWDS for information on how your group, whether newly forming or already providing scholarships, can become a Dollars for Scholars affiliate.
Northwest Dollars for Scholars
12711 58th Dr SE
Snohomish, WA 98296
1 (800) 335-4512
nwdfs@scholarshipamerica.org
2. Complete simple affiliation forms and pay a \$250 affiliation fee. (There are also annual dues and reporting obligations. See Community Scholarship Matching Grant brochure insert or contact NWDS for more information)
3. For newly formed groups, NWDS will provide formal charter and IRS non-profit, tax-exempt status through a group exemption. NWDS will also assist your group with establishing bylaws, Board of Directors and committees (i.e. fundraising, publicity, recipient selections, etc.)
4. Raise at least \$2,000 from throughout the community. NWDS affiliates receive a fundraising manual and can participate in joint NWDS fundraising events to assist in their fundraising efforts.
5. Affiliation with Dollars for Scholars satisfies the requirement to file Articles of Incorporation with the Secretary of State's Office.

COMMUNITY SELF-HELP OR DO-IT YOURSELF

1. Form a steering committee of interested parties to write by-laws.
2. Form a Board of Trustees, elect officers, and form standing committees (such as publicity, fund-raising, and scholarship selection).
3. Apply for nonprofit corporation status from state. (Required for seeking 501(c)(3) IRS status).

The Secretary of State's Office has provided us with a supply of Articles of Incorporation Forms for the convenience of this program. You may request this form by calling our office at (360) 753-7846. Complete the form and return it to the Secretary of State's office with the \$30 filing fee. Time to process is two weeks. Annual reporting required (\$10 fee). The form is also accessible through their web site at: secstate@wa.gov

4. Apply for 501(c)(3) tax-exempt status from the IRS. It may take several months to a year for approval.

Most local IRS offices will have copies of the necessary forms. You may also call 1(800)829-3676 to request the following: 1023-Application, 8718-Payment of Fee, SS-4-Employer Identification Number.

Filing fee: \$150 for organizations grossing not more than \$10,000 annually or \$465 for organizations exceeding \$10,000 annually.

Approved State Articles of Incorporation must be attached to the completed application. For specific 501(c)(3) application questions, call (202) 611-7487 (WA, D.C.).

5. Prepare scholarship guidelines and applications.
6. Begin community publicity and fundraising for scholarships.

In addition, after raising funds an organization should register with the Secretary of State as a charitable organization, unless funds raised during the accounting year are less than \$5,000 and all activities of the organization are carried out by people who are not paid for their services. The charitable organization registration fee of \$20 is waived if filed with Nonprofit Articles of Incorporation. Annual reporting and \$10 fee are required. Phone 1-800-332-GIVE.

Note: There are several IRS codes for tax-exempt organizations. Only those organizations with a 501(c)(3) exemption are eligible for this program.

7. Fundraising activities: List major activities conducted after April 1, 2009, by which your organization has raised matching scholarship dollars, the date(s) of those activities and approximate amount raised in each activity. Additional activities can be listed on a separate sheet.

<u>Activity</u>	<u>Dates</u>	<u>Amount Raised</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Were any of these fundraising activities conducted by paid fund-raisers? [] Yes [] No

If yes, explain the extent: _____

9. Student Scholarship Selection:

a. Attach a copy of student scholarship selection method, criteria, and guidelines.

b. Anticipated total amount organization will award in 2008-2009 if awarded matching grant:

\$ _____
(Must be at least \$4,000)

10. Attach copies of bank statements or other documents verifying deposits of a minimum of \$2,000 raised since April 1, 2009. Include documentation for both beginning and ending dates. Documentation should relate to fundraising activities described in #7 above.

11. Attach: (1) official by-laws; (2) list of the board members' addresses and occupations; (3) IRS 501(c)(3) tax-exemption letter or NWDFS tax-exemption letter; and (4) copy of student scholarship application form.

12. I certify that all information contained herein is true and correct to the best of my knowledge. I certify that this organization awards student scholarships without regard to age, sex, marital status, race, creed, color, religion, national origin, or the presence of any mental, sensory, or physical handicaps. I further certify that if provided a matching award, my organization will complete the required follow-up report by the June 18, 2010 deadline.

Signature of Designated Board Official

Title

Printed Name

Phone

Date

**Send completed application packet to:
Community Scholarship Matching Grant Program,
Higher Education Coordinating Board
917 Lakeridge Way P.O. Box 43430
Olympia, WA 98504-3430**