

Scholarship Fund



What Is a Scholarship Fund?

A Scholarship Fund is established by an individual, organization, or corporation to support the educational pursuits of students at different levels of education.

Who Should Consider a Scholarship Fund?

Scholarship funds are set up for a wide variety of reasons, including promoting a certain career or industry, acknowledging a special school or community, or in memory of loved ones. A scholarship fund can be endowed or expendable. EBCF manages the investment and can provide high or low levels of scholarship administration. Creating a fund at EBCF also provides access to the services, events, and technical assistance offered by our professional staff.

What Are the Benefits Of a Scholarship Fund?

- A meaningful way to provide critical support to the educational achievement of students at all levels.
- Flexible and customizable scholarship design. EBCF staff can help make informed decisions about policies and procedures to match the donor's vision.
- Donor decides what level of involvement they want to have.
- EBCF handles IRS compliance and payments.
- Flexible starting contribution and higher charitable deduction. Funds can be expendable or endowed.

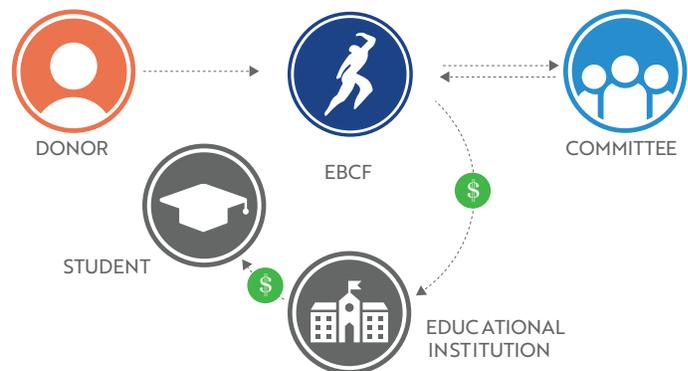
At a Glance

Scholarship Fund

- » Awards educational attainment at all levels
- » Tailored to donor's interests and desired level of involvement
- » Rewarding and fills a critical need

How Does a Scholarship Fund Work?

- 1 Interested parties set up a Scholarship Fund at EBCF and designate a Fund Advisor to make operational requests to EBCF.
- 2 Fund agreement outlines key features of the scholarship such as the name and an outline of scholarship procedures.
- 3 The donor can design many of the key features and procedures of the award.
- 4 The donor decides what level of involvement they want to have.
- 5 Awards are typically made to an educational institution and can be used for tuition, fees, books, and required supplies.



What Are the Tax Advantages of a Scholarship Fund?

- Receive the maximum tax deduction available in the year the contribution is made.
- Avoid capital gains taxes while realizing the maximum tax deductibility of a donation with a gift of appreciated stock, real estate, or complex assets.

Considerations

- Contributions made to a Scholarship Fund cannot be gifts from which the donor receives a material benefit from the fund (e.g., dinner tickets, participation in golf tournaments, etc.)
- All contributions to the fund are irrevocable gifts.
- Full endowments allow for the Scholarship Fund to get an annual payout based on the spending policy established by EBCF.

What Are the Account Minimums and Fee Calculations?

A Scholarship Fund may be opened with a minimum of \$10,000. Additional contributions can be made at any time thereafter.

Scholarship Funds are charged a one-time set up fee of \$1,000.

Administrative fees are assessed quarterly and are generally 2% of the assets of the fund.

Scholarship fees are charged to Scholarship Funds to cover operating costs. These fees vary based upon the size and donor requested activities of the fund.

To establish a SCHOLARSHIP FUND, contact the Development Department at (510) 836-3223 or email development@eastbaycf.org.