



Scholarship Handbook

A guide to selecting, creating, and funding the scholarship you envision.

"An investment in knowledge always pays the best interest."

Ben Franklin

Your Scholarship Will Change Lives.

You are part of one of the Northern Tier's largest scholarship grant makers. Thanks to the generosity of hundreds of CFTT donors, we distribute more than \$135,000 from over 50 scholarship funds to students each year.

As a scholarship fund donor, you represent CFTT in communities across the 5 counties that we serve – Bradford, Potter, Sullivan, Tioga, PA and Tioga County New York. Think of yourself as a knowledge ambassador for philanthropy!

Since 2003, our grantmaking, research, and community-advised solutions have helped individuals, families, businesses, and organizations create charitable funds. We are proud to put these donated dollars to work for northern tier residents by awarding \$357,000 in grants and scholarships annually.

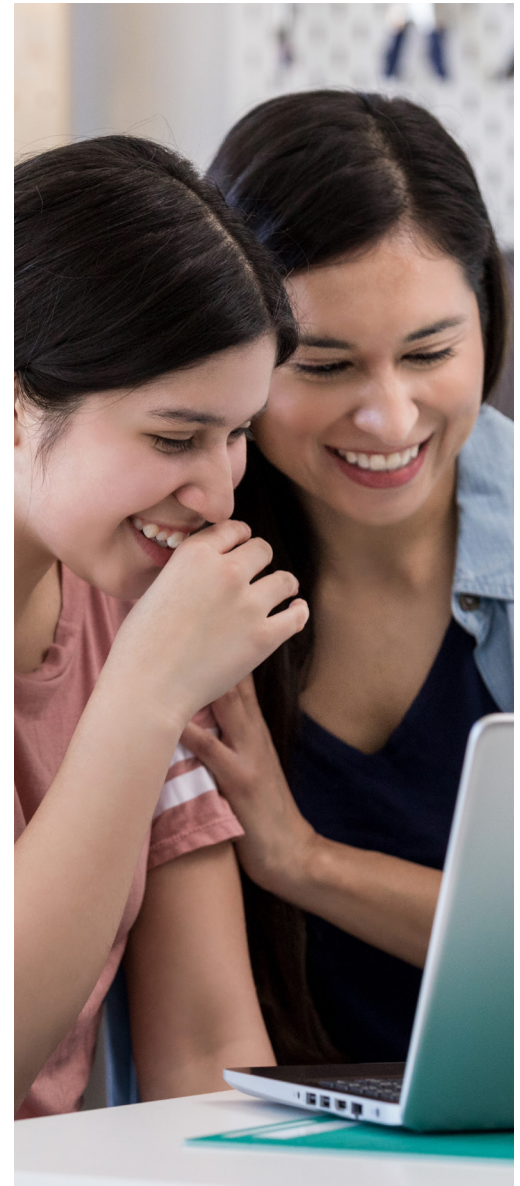
You are joining a network of citizen philanthropists, volunteers, community leaders, and nonprofits who work to improve the lives for all residents of Bradford, Potter, Sullivan, Tioga counties, Pennsylvania and Tioga County New York through the power of philanthropy.

CFTT Quick Facts

- Established in 2003
- One of over 700 US Community Foundations
- \$13 million permanent assets
- 160 Individual Funds
- Manages each fund in accordance with donor wishes, forever
- \$12,500 minimum contribution for named scholarship funds
- \$135,000 annual scholarship awards

Learn more at twintierscf.org

**THIS HANDBOOK EXPLAINS
CFTT'S MISSION, THE BASICS OF
OUR SCHOLARSHIP PROGRAM,
AND THE ROLE YOU WILL PLAY
IN ADVANCING ACCESS TO
EDUCATIONAL OPPORTUNITIES.**



What is a Community Foundation?

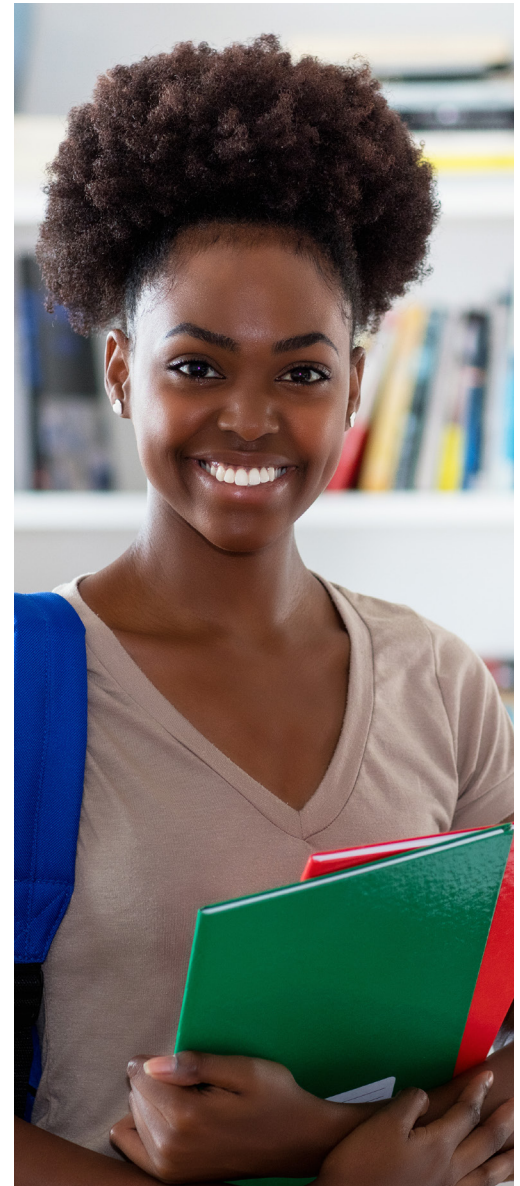
A community foundation is a public charity that administers permanent named funds established through gift bequests from individuals, families, businesses, and organizations. Community foundations make grants – including scholarships – from these funds to qualified charitable, educational, and cultural institutions.

Donors enjoy tax advantages as well as relief from administrative costs and burdens associated with running a private foundation or establishing an independent nonprofit.

More than 700 community foundations are currently operating within the United States. They play a dynamic and collaborative role in their communities, bringing together nonprofits, government agencies, donors, and the public to discuss and address community issues including:

- Closing the Opportunity Gap to Postsecondary Education
- Encouragement to make the world a better place
- The opportunity to pursue a dream
- Relief from financial stress

**EVERY YEAR, CFTT
SCHOLARSHIP RECIPIENTS
TELL US HOW THEIR
SCHOLARSHIP CHANGED
THEIR LIVES.**



A Vital Investment.

Our scholarships support a wide variety of majors, interests, and passions. We have scholarships for graduates for specific high schools, current college students and would support even graduate students. Other scholarships support non-traditional students who need workforce retraining or higher education.

Underlying every CFTT scholarship fund is the belief that higher education is a vital investment in the future of our county's residents. Historically, among the 50 states, Pennsylvania ranks 48th on the affordability of higher education, with students and their families spending 40 percent of income on educational expenses even after financial aid. (This finding comes from the recent College Opportunity Risk Assessment compiled by the University of Pennsylvania's Graduate School of Education.)

CFTT is committed to closing this opportunity gap, and CFTT scholarships are mitigating these inequities by creating a new path for education in our counties.

**AMONG THE 50 STATES,
PENNSYLVANIA RANKS 48TH
ON THE AFFORDABILITY OF
HIGHER EDUCATION.**



Guiding You Through the Details.

There are many things to consider when setting up the scholarship you envision. But don't be overwhelmed. CFTT has the experience needed to guide you through issues such as:

- Who will be eligible for your scholarship?
- Where would you like your scholarship dollars to go?
- Is there a specific field of study you'd like to support?
- What qualities would you like your recipients to demonstrate?
- Do you wish to award anonymously?

We also will help you structure your scholarship to match your goals. Some options include:

- Scholarship Fund – Single Grant/Single School
- Scholarship Fund – Multiple Grants/Single School
- Advised Scholarship Fund and/or Multiple Schools

Ways to Give.

There are many ways to fund your scholarship. CFTT has the expertise to accept a wide range of assets including:

- Cash
- Publicly traded stock
- Closely held stock and stock options
- Life insurance
- Real estate
- Tangible personal property
- Qualified retirement plan assets and IRAs
- LLC and LLP units
- Assets from other trusts and private foundations
- Various current and deferred gift arrangements
- Estate plans

**DON'T BE OVERWHELMED
BY THE DETAILS AND
OPTIONS OF SETTING UP A
SCHOLARSHIP. CFTT WILL
GUIDE YOU.**



Donor and Scholarship Volunteer Roles.

**CFTT ENSURES THAT YOU FOLLOW
IRS REGULATIONS TO PROTECT THE
TAX-DEDUCTIBLE STATUS OF YOUR
SCHOLARSHIP DONATION.**

Role of the Donor

The donor establishes the scholarship fund, specifies its intent through the fund agreement, and recommends eligibility criteria. After establishing the fund, the donor may choose to participate as part of a selection committee or to have no direct involvement.

Role of the Selection Committee

Selection committees use scholarship eligibility criteria while reviewing applications and make recommendations within the available spending policy. Selection committee members may consist of school district administrators and teachers, community volunteers, CFTT staff, and donors (who must be in the minority).

We rely on committees to honor donor intent by adhering to the criteria specified in the scholarship guidelines, which are based upon the fund agreement between CFTT and the donor.

The Role of the CFTT Board

CFTT has a legal responsibility to ratify selection committee recommendations. Our board reviews these recommendations, and as long as they honor donor intent and used a fair process, approves them.

IRS Scholarship Fund Regulations

Under the Pension Protection Act of 2006, no more than a minority of selection committee members may consist of donors to a scholarship fund. “Donors” are defined as:

- Donors to a fund.
- Persons appointed or designated by a donor in a fund agreement (“advisors”).
- Family members of a donor or advisor, including spouse, siblings, ancestors, descendants (children, grandchildren, great-grandchildren, stepchildren, step-grandchildren, step-great grandchildren), and spouses of descendants.
- Other “related” persons, such as a donor or advisor’s employees, attorneys, or advisors.
- In the case of a fund created by a nonprofit or for-profit entity, the directors, members, officers, and employees of that entity.



Scholarship Selection Timeline.

EARLY MARCH

CFTT confirms selection committee members and informs donors and selection committee chairs of the scholarship amount available in the academic year.

MARCH

Deadlines for student applications.

APRIL-JUNE

Selection committee members meet, discuss applications, develop scholarship recommendations, and forward them to CFTT. CFTT board of directors approves recipients.

MAY

Many selection committees directly notify high school recipients of their scholarships so these students can be recognized at a school awards ceremony.

LATE JUNE

Deadline for sending awardee information to CFTT.

JULY-AUGUST

CFTT sends payments to educational institutions on behalf of individual students for the first term or semester. Further payments are made at the beginning of subsequent terms or semesters. CFTT works with educational institutions to ensure that awardees remain eligible and meet all requirements.

JANUARY

CFTT's scholarship applications are available online for the new scholarship season and are available to the public.

CFTT Partnership with School Districts.

CFTT's longtime partnership with area school districts and through guidance counselor offices allows CFTT to manage its scholarship program efficiently and cost-effectively, while ensuring we have input from those closest to the students.

In addition, CFTT has its own volunteer selection committee.

Our Scholarship Program Team.

JOSELYN W. B. ALLEN-ELFORD

Resource Development Associate
jallenelford@twintierscf.org
570.888.4759

CHARITY FIELD

President
cfield@twintierscf.org
570.888.4759