



COLLEGE FUTURES FOUNDATION SCHOLARSHIP AWARD POLICIES

The goal of College Futures Foundation is to increase the rate of bachelor's degrees earned by California student populations who are low-income and have had historically low college success rates. The overarching principles for our scholarships are that they be: 1) need-based and 2) used as a tool to increase bachelor degree attainment, especially among student groups that have been historically underrepresented in higher education. Our scholarships are intended to be structured as incentives, as part of a comprehensive college advising strategy to increase college attainment for low-income students, particularly students from groups that remain underrepresented in higher education.

As such, we expect that scholarships funded by our grants are part of a comprehensive college advising strategy that includes college and financial aid guidance services to students in high school and throughout college to increase the likelihood of success in college. Examples include pre-enrollment services while students are in high school such as academic preparation, college application and selection guidance, and financial aid counseling. Post-enrollment services include academic guidance, interventions to strengthen social engagement, and continued financial aid guidance. If a grantee program does not provide these services directly, it could partner with or refer scholarship recipients to organizations that do provide these types of services.

The following policies and practices are recommended to maximize the value and reach of College Futures' grantmaking dollars and ensure that grant funds are used and scholarships are awarded with the highest degree of professionalism, ethics and good judgment. College Futures reserves the right to modify these policies at any time; the most current version of these policies will be found on College Futures' website at www.collegefutures.org.

A. Pre-Award: Scholarship Eligibility & Advising

- 1) College Futures' grantee programs must not discriminate on the basis of race, religion, or any other legally protected classification. Programs may *target* students in racial, ethnic, or other demographic groups with high financial need and/or low college-going rates, and award scholarships to students in targeted groups.
- 2) All College Futures scholarships must be awarded to students who graduate from a high school in California and who intend to pursue either an associate's or bachelor's degree at an accredited two- or four-year postsecondary institution in the United States. Given College Futures' goal of more bachelor's degrees completed by low-income students in California, scholarship recipients attending community college should intend to transfer or be on a path to transfer to a four-year institution.
- 3) Children or other close relatives of grantee program employees or board members may not be considered for scholarships, stipends or payments from funds provided by College Futures grants under any circumstances, even if the related employee or board member is not part of the selection process. They remain ineligible for one year after the

related individual terminates his/her employment or board service for the grantee program.

- 4) In cases where programs limit scholarship eligibility to students who have been competitively selected to participate in their programs, grantees must select students based on a clear, well-defined and published set of admissions criteria.
- 5) In cases where scholarship eligibility is broader (e.g., all high school seniors in certain schools, or all students who meet minimum program participation requirements), programs must widely promote the scholarship opportunities they offer by notifying students, parents, educators and community leaders.
- 6) All College Futures scholarships must support students who have financial need. While College Futures allows grantees some discretion in defining that term, grantees must assess students' financial need by reviewing their federal Student Aid Reports (SAR) or must develop an alternative need assessment process for approval by College Futures. In general, we recommend that scholarship recipients have an estimated family contribution (EFC) below \$10,000, as calculated in the student's completed Free Application for Federal Student Aid (FAFSA). In the rare circumstance a grantee program selects a scholarship recipient with an EFC above \$10,000, grantee must properly document the assessment of that student's financial situation and the rationale for that scholarship decision.
- 7) Grantee programs must ensure that all students in their programs complete the FAFSA or California Dream Act Application if they are eligible to do so, submit their Cal Grant GPA verifications to the California Student Aid Commission (CSAC) by the March 2 Cal Grant Award deadline, and complete all the steps required to access Pell and/or Cal Grants. Grantees must also follow up with students who receive scholarships funded by College Futures to ascertain whether or not they received their public financial aid, specifically Pell and Cal Grants. Grantees must encourage students to pursue all available public and institutional financial aid and take reasonable steps to assist students in meeting all college application and financial aid deadlines. For example, in addition to reviewing students' FAFSA Student Aid Reports (SAR) to ensure satisfactory completion of the federal financial aid process, grantees (or designated partners) are expected to review students' California Aid Reports (CAR) and assist with any necessary follow-up with students to ensure satisfactory completion of the state financial aid process, including verification of high school graduation.
- 8) Grantee is required to obtain written consent, in the form provided by College Futures, from each scholarship applicant for provision of their personal information to College Futures should the applicant receive a scholarship. Grantee will require any sub-contractor, sub-grantee or partner distributing funds originating from College Futures to obtain such written consents. Grantee must keep copies of all consent forms for at least three years and make them available to College Futures upon request. If any demographic or personal information regarding a student is provided to grantee by College Futures, grantee will keep that information confidential and will only share that information with the individual student. Student consent forms are available at <http://collegefutures.org/our-grantees/for-grantees/student-data-reporting/>

B. Selection & Awarding

- 9) Grantees who receive grants for scholarships must award scholarships as follows unless approved in writing by College Futures:
- Grantees may provide customized scholarship awards based on a careful assessment of remaining student need after all other financial aid is calculated.
 - Alternatively, grantees may provide the same scholarship amount to all recipients, or the same amounts to all recipients in well-defined categories (e.g., a \$1,000 scholarship to all students attending community colleges and a \$2,500 scholarship to all students attending four-year colleges).
 - Scholarships should be based on unmet financial need after taking into account total cost of attendance less any public or private grant aid. Scholarship amounts should not be based primarily on merit.***

Grantees may award all scholarships under either approach (a) or (b) or some under the first approach and some under the second. College Futures prefers the first approach, however, because we believe it maximizes the value of our scholarship funds.

- 10) If grantees provide customized scholarship awards to individual students as described in policy 9a above, the award amounts must be reviewed and approved by a committee of at least three people, preferably including a representative of an institution of higher education, or a person with experience determining or awarding financial aid for higher education.
- 11) All scholarships awarded with College Futures support must be within the following minimum and maximum amounts:

MINIMUM SCHOLARSHIP: \$500 per student, per year
MAXIMUM SCHOLARSHIP: \$5,000 per student, per year

- 12) Grantees must remit scholarship payments to financial aid offices at the institutions where recipients are enrolled. In the rare case that a grantee chooses to pay any amount of the scholarship directly to a student, grantee must properly document the reason for making this scholarship payment and the student is required to report all outside scholarships to the financial aid office at the institution where the student is enrolled.
- 13) College Futures' scholarships should not be used to reduce or replace any institutional aid. Grantees must communicate this and work with the institutions' financial aid offices to ensure that College Futures' scholarships do not result in an over-award or displacement of other grant aid. When remitting scholarship payments to financial aid offices, grantees must include a statement in the cover correspondence requesting that the scholarship be used to reduce or replace any loans or work study contributions expected of the student. Sample language follows:

Please note that this scholarship is funded by a private grant from College Futures Foundation. This private scholarship may be used to reduce or replace loans or self-help if necessary; however, it is not intended to be used as a replacement for other grants or scholarships offered to the

student. Should you determine that this scholarship will result in an over-award to the student, please contact me and return this check to my office.

- 14) All students who receive a College Futures scholarship must enroll full-time in college to receive their scholarship payment.

C. Post-Award: Follow-Up & Renewal Scholarships

- 15) All scholarship decisions and allocations decisions must be documented and available for inspection and review for three years from the date of award. In all cases, scholarship decision-makers must have policies in place to avoid bias or favoritism or the appearance of bias or favoritism.
- 16) Grantees are expected to retain copies of all scholarship payments and be prepared to submit evidence of scholarship payments to College Futures upon its request.
- 17) Grantees must apply the same level of care and scrutiny to renewal decisions as they do to initial scholarship awards. Before awarding renewal scholarships, grantees must confirm that students remain eligible and apply for public and private financial aid. Renewal scholarship recipients must meet all requirements and expectations established by College Futures, the grantee program, and the institutions where they are enrolled.
- 18) Any student who receives a multi-year scholarship or renewal scholarship where College Futures was the original source of funds must complete all required remedial coursework within 18 months of full-time enrollment at an institution of higher education. Students who fail to complete all remedial coursework by that deadline may not receive additional scholarship payments until they satisfy all remedial requirements.
- 19) Grantee programs must track student outcomes. Grantee is required to collect and submit data reports on all students who receive a College Futures scholarship. Refer to the Data Reporting Requirements in the grant agreement, also found on College Futures' website: <http://collegefutures.org/our-grantees/for-grantees/student-data-reporting/>.

Failure to adhere to these policies may result in the termination of the grant and a request for the return of any unexpended funds.