

# Scholarship Establishment Parameters

The IAA Foundation is proud to serve our Mission to support Illinois farm families and the future of agriculture through education. The IAA Foundation manages endowments and active donor advised funds which fund annually awarded scholarships. We are always interested in further serving our mission by supporting individuals and organizations that wish to establish a scholarship fund. We thank you for considering a partnership with us that advances this effort.

To establish a scholarship fund with the IAA Foundation, the following options and parameters can be considered the start of our conversation together. We are available to discuss specific details and unique circumstances with you.

**Named Scholarship:** By establishing an agreement or scholarship fund with the IAA Foundation, we would be pleased to include and offer a named scholarship.

**Eligibility:** As the donor, you may direct specific wishes as to the type of student who would be eligible to receive a scholarship. Living on an active family farm, from a certain county or region, active in FFA or 4-H, attends a specific University or Community College, are all examples of attributes that donors select when meaningful to them, or the person they are honoring. In order to fall within the parameters of our scholarship program, we request the following eligibilities be included: Active Farm Bureau member, or son or daughter of a Farm Bureau member and studying in a field related to agriculture or from a farming background.

**Involvement:** As the donor, you choose your level of involvement with applicant review. The IAA Foundation can handle all review and selection, or you can review, score and rank recipients from all applicants, or a smaller number of finalists. The IAA Foundation will share recipient information with you each year.

**Gifting Options:** Scholarships may be established in one of the following manners:

*Permanent Endowment-* By making a significant one-time gift, you direct us to permanently restrict the funds and only awards scholarships or grants from income earned. In this method, a scholarship can continue into perpetuity. Based on conservative investment returns, it requires a \$30,000 contribution to fund one \$1,000 scholarship annually.

*Temporarily Restricted Fund-* Like a permanent endowment, the funds are earmarked specifically for your named scholarship. However, the IAA Foundation can spend from the principal gift if needed to cover the minimum \$1,000 scholarship annually. A minimum up-front contribution of \$10,000 is required for this option.

*Annual Contribution-* You choose to make an annual gift to cover the amount of scholarships you wish to give. The IAA Foundation asks you to enter a contractual agreement to continue funding a minimum of one \$1,000 scholarship for a five-year period (\$5,000 total) in order to establish a named scholarship.

**Timeline:** Each year, our scholarship program opens for applications on January 1. If you would like to have a scholarship established and ready to give in the next program year, ideally it would be in place by September of the current calendar year.

**Other Considerations:**

The scholarship fund will be held by and considered property of The IAA Foundation and is not deemed as a separate trust held by it in a trustee capacity. For investment purposes, the assets of the fund may be comingled with other investment assets of the Foundation, currently managed by COUNTRY Trust Bank.

The IAA Foundation has the ultimate authority and control over all property in the Fund and the income derived therefrom.

The scholarship agreement is required to remain in place for a minimum of five years from the date established.

The IAA Foundation administers the scholarship in accordance to the terms established by the donor including: the official name of the scholarship, specific eligibility requirements and the number and dollar amount of awards.

The IAA Foundation reserves the right to charge a minimal administrative fee which is determined by the IAA Foundation Board of Trustees and is based on the gift and how closely the parameters align with our Mission.

The IAA Foundation is grateful to be considered a partner in helping you reach your charitable goals and together, we can enhance agriculture through education.