



# Programs

## I. Endowed Programs

An endowment requires that the principal remain intact and be invested to create a source of income for Northwest Florida State College. Donors may set up an endowment to fund a specific interest such as scholarships, instructional equipment, faculty development or program support for the College. By leaving the principal intact, the fund lives in perpetuity.

### A. Guidelines

1. Endowments are officially established when reviewed by the Northwest Florida State College (NWFSC) Foundation staff and accepted by the NWFSC Foundation Board and NWFSC Board of Trustees, to ensure consistency with the NWFSC Foundation mission, policies and procedures.
2. Endowments may be established by individuals, corporations, social groups, estates, charitable organizations, families, friends and other entities and wherever possible must designate an individual as a donor representative with whom the foundation can communicate gifts, policies and revisions.
3. Each endowment's income will be distributed from time to time by a committee including the NWFSC Foundation Director and the College Director of Financial Aid, or their designees, and others as necessary to meet the spirit of the fund.
4. Capital gains on principal will be applied to the fund balance with market gains, interest and earnings awarded as scholarships or for program support as determined by the intent of the donor.
5. Investments may be pooled and income from such investments is allocated equitably to participating funds.
6. Criteria for awarding endowed scholarships can include conditions such as financial need, academic achievement or potential, community service and leadership, pursuit of a particular course of study, residence within a particular locale, membership in a given group, ability at identifiable tasks (excluding athletics), or some combination of these. But in no case may conditions for award be capricious or discriminatory within those broad criteria.
7. The minimum requirement to establish a new endowment is \$15,000, a target that must be reached by the donor within five (5) years. Endowments that fail to meet this target revert to either the general fund or the general scholarship fund at the discretion of the

Board.

8. All endowments may pay a maximum of 4% of the prior year-end endowment fund balance, provided net earnings are available. Scholarship awards may be used for tuition and books.
9. All foundation funds will be assessed a fee of one half of one percent (0.5%) annually, charged quarterly at the rate of (0.125%), for administrative purpose, in accordance with stated legal restrictions.
10. Contributions can be made to the endowment at a time within guidelines established by the foundation.
11. Each endowment fund will be reviewed annually by the NWFSC Foundation staff to ascertain its effectiveness. At least every second year, the foundation staff will review the criteria and performance of the endowment with donor representatives. Staff will make recommendations for changes in regulations as a result of these reviews.
12. Exceptions to these policies may be made from time to time by the Director with the concurrence of the Executive Committee.

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