

How to Establish A Scholarship at Central Connecticut State University

CCSU Foundation, Inc.

The CCSU Foundation, Inc. was created in 1971, at the request of Central Connecticut State University, as a vehicle to obtain private contributions to support educational programs and research at Central Connecticut State University. Incorporated under the laws of the State of Connecticut, the non-profit, eleemosynary organization is governed by an independent Board of Directors which includes members of the faculty, the student body, the alumni, and the general public. The President of Central Connecticut State University is an ex-officio member of the Board of Directors.

The Foundation solicits private contributions to benefit Central Connecticut State University. Funds are allocated in four major program areas: institutional enrichment, scholarships, academic enrichment, and unrestricted. The Board of Directors disburses unrestricted funds to University programs and activities deemed by the Board, in consultation with the President of the University, to be the most worthy. Restricted donations are disbursed according to the terms of the donation.

The relationship between the University and the CCSU Foundation, Inc. is subject to Sections 4-37e through 4-37j of the Connecticut General Statutes, which establishes principles for operation of private foundations which exist to benefit public colleges and universities. This relationship is further defined in an agreement between the Board of Trustees of the Connecticut State University and the CCSU Foundation, Inc.

The Foundation is exempt from tax under section 501(c)(3) of the Internal Revenue Code. Its non-profit organization identification number is 23-7354328.

Scholarship Funding

Endowed Scholarships

Funding a scholarship at Central Connecticut State University through the CCSU Foundation may be accomplished by making outright gifts of cash, stock, other tangible assets or a bequest in a will. A named scholarship must attain a minimum principal balance of \$25,000 to be fully capitalized. Generally, donors are asked to fulfill capitalization requirements in three years or less.

Scholarship Criteria

Foundation funds are prudently managed by the Board of Directors of the Foundation. Earnings are applied to endowment funds and used to fund scholarship awards. Currently, the Foundation's spending policy provides for a distribution of five percent (5%) of the five-year average quarterly market value. Excess earnings are returned to the funds to enhance their value. Principal balances are never invaded.

Annual Scholarships

Annual scholarships differ from endowed scholarships in that the donor makes a contribution annually to fund the scholarship award. Ideally, a commitment to fund an annual scholarship will be for a minimum of three years.

All special conditions and provisions relating to the gift and the original intent of the scholarship are agreed upon in writing at the time the scholarship fund is established. This ensures that the fund will be carefully monitored in perpetuity and that the donor's intentions are carried out.

The actual criteria for making scholarship awards are determined by the donor at the time the fund is established. Scholarships may be based on scholastic merit, academic major, geographic location, year in school, leadership and service, or any combination of these or other factors. University staff members will assist with the articulation of the criteria and any other special provisions affecting the fund to ensure the donor's wishes are met. The criteria are written in the description of the fund and formally accepted by the Board of Directors of the Foundation.

The scholarship fund will be named by the Foundation in honor of or in memory of an individual, family, corporation, or organization.

Since the Foundation is tax-exempt, donors receive current income tax deductions for their gifts to the extent the law allows.

For further information, contact:

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*Donors are encouraged to consult attorneys or tax advisors
in regard to the tax consequences of charitable gifts.*