

AUBURN CLUB SCHOLARSHIP GUIDELINES

Endowed Scholarships

Endowed funds differ from others in that they are truly the gift that keeps giving. Instead of the gift being spent outright, the total amount of the gift is invested. Before the endowment reaches the minimum of \$25,000, all earnings are added to the principal. After the endowment reaches the minimum of \$25,000, only a portion of the invested income earned each year is spent while the remainder is added to the principal. An endowment is a perpetual gift because only a portion of the earnings is used to support the intended purpose while the principal continuously grows.

- A minimum of \$25,000 is required to endow a scholarship within the Auburn University Foundation.
- In compliance with the university's endowment spending plan, earnings from the endowment will be used to fund the scholarship in the name of the club or an individual.
- The \$25,000 can be given over a five-year period or in one lump sum.
- Once funds are endowed, they cannot be retrieved from an endowment. If the club is unable to reach the \$25,000 minimum over five years, the endowment will transfer into an alumni general endowment pool, thus losing its identity with the club.
- In accord with the Auburn University Foundation's spending plan, a portion of the earnings in an amount equal to the higher education price index (similar to the consumer price index) is retained as principal before the allocation is made to the spendable account.

Annual Scholarships

Annual scholarships are supported by monies that the club raises each year to give to the Auburn University Foundation to support a scholarship. The annual contribution represents the amount of the scholarship.

Student Deposits

If a club would like to give a donation to a particular student from their area, they may opt to give a student deposit to the Office of University Scholarships in the student's name. This donation is not a gift to the University and is not a scholarship for the recipient. Student deposit checks should be made payable to Auburn University and sent to: Office of University Scholarships, 115 Quad Center, Auburn University, AL 36849. The student's name, University ID (not SSN), and the term for which the funds should be applied should be enclosed with the check. The Office of University Scholarships applies the student deposit as a credit on the student's university billing account. Unless otherwise requested, student deposits up to \$1,000

are applied in full for fall term, and student deposits greater than \$1,000 are equally divided for fall and spring term. Student deposits cannot contribute to the minimum amount required to receive a tuition waiver.

Creating a scholarship

The process for creating a scholarship is as follows:

- Contact Scott Greenwood in the Office of Alumni Affairs at 334-844-1149 or greens1@auburn.edu.
- Scott will work with the club to create an agreement for the scholarship. Subsequent to approval of the draft agreement by the officers of the club, the Office of Alumni Affairs, the Office of Development and the Office of University Scholarships will review the agreement. Once all parties have approved the draft, the final agreement is printed in duplicate and signed by the club's president, the Office of Alumni Affairs, and the Vice President for Development. An original signature document is filed with the club. ***The agreement must be signed by February 1 for scholarships to be awarded in the spring and disbursed to the student(s) in the fall.***
- A file copy of the agreement will be maintained in the Office of Alumni Affairs, Donor Relations and in the Office of University Scholarships.
- In all cases, the selection of the individual receiving the scholarship will be made by the **Office of University Scholarships**.
- The following preferences by the club can be placed on the scholarship:
 1. Geographical area, defined by county or city of residence.
 2. Enrollment status (incoming freshman, transfer student, or current student).
 3. Class year (freshman, sophomore, junior, or senior).
 4. Term of award (one year, four year, preference to renew, prior recipients are not excluded from consideration in future years).
 5. Academic merit (GPA, test score for incoming freshman, academic excellence - i.e., 3.0 GPA and 28 ACT score).
 6. Financial need as determined by the Office of Financial Aid.
- It is the responsibility of the local club to:
 1. Promote the scholarship. Admissions advisors will notify high school guidance counselors as to the existence of the awards and the university's procedure for selection. The application for admission serves as the application for consideration of Club scholarships; a separate application is not required. Eligible students accepted for admission are automatically considered for any Club scholarship for which they meet the criteria. December 1 is the Freshman Scholarship priority deadline. Priority consideration is given to students who apply with all admission credentials postmarked by this date. To receive consideration for need-based Club scholarships, students should complete the Free Application for Federal Student Aid (FAFSA) by the AU Financial Aid priority deadline of March 1. The FAFSA is available each year in January and can be completed online at: www.fafsa.ed.gov

2. Send scholarship contributions to the Office of Alumni Affairs with checks made out to the Auburn University Foundation no later than the date prescribed in the scholarship agreement, **February 1**. The scholarship will not be awarded until the amount needed is deposited. The Office of University Scholarships will notify students in March and April of awards. The universal deadline by which students are asked to make their final decisions is May 1. Generally, clubs shall be notified by May 10 of scholarship recipients.
3. Out-of-State Clubs -- Out-of-state tuition is three times the rate of in-state tuition. The club scholarship is generally awarded at 1/3 out-of-state tuition, and the student receives a waiver of another 1/3 out-of-state tuition, provided Auburn University continues the waiver program. The student is then responsible for the remaining 1/3 out-of-state tuition or the equivalent of in-state tuition.

Scholarship Award Process

Once the agreement is in place and funds have been donated by the February 1 deadline, the Office of University Scholarships will begin the award process.

- The Office of University Scholarships filters the prospective recipient database to identify the students who meet the criteria outlined in the agreement by the club. The student who most closely matches the criteria based on donor preferences is selected as the recipient.
- In March/April, the Office of University Scholarships will send award letters with response forms to individual scholarship recipients.
- The students have until May 1 to accept/decline the scholarship. The response form includes authorization to release pertinent information about the student. Once the Office of University Scholarships receives the signed response form, they can release the information to the alumni office to give to the club. The Office of University Scholarships is not able to release any information to the club prior to receiving notification from the recipient that they are accepting the scholarship award. Auburn Club officers cannot release any information about recipients until clearance is provided by the Office of Alumni Affairs. Due to guidelines established by the Federal Right to Privacy Act (FERPA), the Office of University Scholarships is not able to provide students' GPA or financial need information to the clubs.
- The student may choose to decline the award or withdraw (choose not to attend Auburn). In those cases, the Office of University Scholarships will use the same process outlined above to re-award the scholarship. The Office of University Scholarships cannot cancel a scholarship and re-award it until the current recipient withdraws from the University or notifies them directly s/he is declining the scholarship.
- The first fall tuition bills run in July with an August due date. Scholarships awarded appear as credits on the bill.

- Ten days prior to classes starting, the award is disbursed for the semester.
- After the 15th class day, scholarship awards are adjusted as needed (i.e., students did not enroll, students enrolled for fewer than 12 hours, etc.)

Amending Agreements

If the club wishes to change their agreement, they must go through an amendment process.

- The club will work with the Office of Alumni Affairs to put together a memo to the Vice President for Development with their changes to the agreement. The Office of Alumni Affairs and the Vice President for Development will approve the document and notification will be given to the Office of University Scholarships of the changes. ***The amendment must be signed by February 1 to be in effect by the spring awards.*** If significant changes are requested, the amendment may be forwarded through the agreement routing process.

Account Verifications

Each fall, the Office of Alumni Affairs will send an Auburn Club Scholarship Account Verification to the club requesting response from the club informing the Office of Alumni Affairs if the club intends for their scholarship to be awarded the following year. ***The club must return this form to the alumni office by February 1.***

Ways to Raise Funds for your Auburn Scholarship

- Club sending letters to club members
- Designate a portion of membership dues
- Company matching gifts
- Monthly ETFs
- Multi-year pledge
- Golf tournaments
- Auctions
- Giving on-line, designating the gift to your club scholarship, through <https://develop.auburn.edu/giving/start.php?cID=1>
- Have a place on your membership card for additional donation to the scholarship

University Admissions Process

Admission credentials include an application for admission, the \$25 application fee, test scores from testing agencies, and a high school transcript. The application for admission may be completed online at: www.auburn.edu/admissions/apply . Test score reports and transcripts should be sent to: Admissions Processing, 108 Mary Martin Hall, Auburn University, AL 36849.