

# ***Scholarship Training***

## **Overview**

Scholarship money has been donated to award to students to enable and enhance their college education and educational experience.

Sometimes this money is donated to assist a specific kind of student, and other times it is donated free of restriction.

Many scholarship accounts are endowed, meaning the expendable fund is renewed with cash via an annual distribution at the beginning of each fiscal year. Donations go into the endowment portion of the fund and are invested. The investment income is then distributed to the spendable fund annually. Remember to use the endowment fund (account number starts with a “3”) when submitting contribution forms with incoming gifts.

Scholarship money must be seen as an invaluable tool in both the recruitment and retention processes. Coordination is needed between the colleges and Financial Aid Office because this money should be used ***strategically***. There has been a disconnect between those who have money to award and those who have identified students with need. Your department should be working closely with Financial Aid to identify students with need.

Due to the lack of Foundation dollars awarded, the University often has to backfill using tuition waivers. There are 3 types of income for SIU when it comes to tuition/fees: federal/state aid, private donations, and personal payment. These are the only sources of actual dollars for SIU. Tuition waivers are not “real money.” They are not revenue. The goal is to get as close as we can to eliminating the use of tuition waivers.

Scholarship money should not be subject to hoarding, especially not endowed accounts. The “rainy day” is today. Having a future spending plan, especially for renewable awards, is great. But NOW is the time to attract and retain SIU students.

**Key Concepts: Spending, Deadlines, Restrictions, Students’ Issues**

## Spending:

Scholarship donors intend for their money to be spent on scholarship awards. Many donors get upset at failure to spend or underspending. This can negatively affect the opportunity to obtain future gifts.

“Over-spending” cannot occur on Foundation accounts.

There are only two types of spending limits on Foundation accounts:

- Cash balance of the account

- Restriction on award amount within the stipulations

Awardable cash can be determined by running the spendable cash report for the upcoming year or by running your current cash balance for non-endowed accounts.

The goal is to attempt to spend as much of the awardable cash as possible.

Use named scholarship accounts before using departmental activities accounts. Scenario: John Doe Fund has \$2,000 and flexible restrictions. Use college activities fund instead to award \$1,500 to a student who qualified for the John Doe award. John Doe gets annual donor letter stating his scholarship was not awarded this year. Departmental funds CAN offer awards, but in theory, they should not do so until all scholarship dollars have been depleted.

## Deadlines:

SIU Foundation scholarship paperwork deadlines exist to meet the processing requirements and due dates of the Financial Aid Office.

The FAO deadlines exist to ensure inclusion of all applicable components on the initial Bursar statements for each semester.

SIU Foundation staff members have time commitments that vary from project to project. The annual scholarship payout for each semester is considered a priority project for Foundation staff and is planned for accordingly. Once each deadline passes, Foundation staff move on to the next project and may not be able to treat newly received scholarship vouchers with the same priority as they could before the deadline.

Missing scholarship voucher submission deadlines can cause:

Missing award information on students' Bursar bills

Confusion and irritation for parents and students

Phone calls to investigate awarding delays

Students being automatically dropped due to no payments

Students having registration holds placed on them due to balances

Account Restrictions:

Many accounts are set up by donors to assist the type of student with which they identify in some way.

At times, these donors are parents who have lost children, and they establish selection criteria to help the type of student their child was or would have been.

Some are SIU grads who establish selection criteria to help the type of student they were.

Other times, these are former students, community members, or even faculty who have noticed a shortfall in assistance for a specific group of students, and they establish selection criteria focused on assisting them.

Some accounts are set up with basically no restrictions, restricting the awards to simply "students enrolled at SIU."

Whatever the restrictions, they must be met by all recipients.

Students' Issues:

Some students can end up being "over-awarded" in a given semester.

Splitting award payments between the Fall and Spring semesters helps reduce the occurrence of "over-awarding."

Some students do not have the minimum number of hours to be considered "full time."

An hours-exception field is available on the Foundation scholarship voucher and may be utilized for awards from any account that does NOT require a full-time recipient.

The hours-exception is especially useful when paying awards to graduating seniors in their final semester.

Not all students know to, or have taken the time to, register in Academic Works. Encourage all students to complete this universal scholarship application process. Because it's a universal application, students can be matched up with scholarships outside your specific college for various awards based simply on the high school they graduated from and other criteria unrelated to their actual major.

Students need the award payments to hit BEFORE they receive their first statement for the semester.

Students should be able to contact their department, and only their department, to check on the status of a scholarship payment.

There are two people in each college who have access to run the on-time reports from the Foundation's financial database. If the department does not have an immediate answer for the student, the department should research the situation and get back with the student in lieu of giving the student a list of folks to go track down on their own. Students refer to this as "the run-around."

Students are occasionally subject to Bursar holds and can't register for the upcoming semester due to a balance due for the current semester. In these situations, the student needs immediate help. We suggest retro-actively awarding scholarship money to students who are in this situation. This simply means that the scholarship voucher would be completed for the current, or even a past, semester.

**Responsibilities of the Budget Officer: Familiarity with accounts, Award available dollars, Compliance with account restrictions, Meeting submission**

**deadlines, Facilitating the “thank you” process, Verify payments for students, Communicate awarding issues.**

Familiarity with accounts:

Have a complete list of scholarship accounts for which you are responsible.

Know the general amount available each year for each account.

Know the basic restrictions for each account.

Formulate a plan to use awards from each account in your recruitment and retention efforts.

**Be prepared with the knowledge of what awarding potential lies within your collection of accounts as you speak with each prospective student, each at-risk student, and each continuing student.**

Award available dollars:

Again, have a goal to award as much of the awardable cash available as possible.

Award to as many qualified students as possible.

Award as high a dollar amount per award as possible.

Adhere to account restrictions:

Students who receive a given award **MUST** qualify for that award.

Utilizing Academic Works is the most straight-forward way to identify qualified students.

Restrictions regarding number of awards and award amounts must be strictly followed.

Restrictions regarding selection committee participants must be met.

Preferences should be met when possible, but do not eliminate any student’s eligibility in the absence of a student that fully meets the preferences listed.

Meet submission deadlines:

Information about the upcoming academic year's awards is due to the Financial Aid Office by March 1<sup>st</sup>. This can be accomplished by sending Page 3 of the Foundation scholarship voucher to FAO.

Scholarship vouchers paying awards for the upcoming Fall semester are due to the SIU Foundation office by June 1.

Scholarship vouchers paying awards for the upcoming Spring semester are due to the SIU Foundation office by November 1.

Scholarship vouchers paying awards for the upcoming Summer semester are due to the SIU Foundation office by March 1.

"Late" scholarship vouchers include any scholarship voucher for a semester that has already passed or is currently in session.

"Late" scholarship vouchers may be submitted at any time but may not meet any FAO deadlines and may not be able to be "rushed" for payment.

Facilitate the "thank you" process:

Notify each recipient of the thank you contact for each of their awards.

Keep in mind that the donors have given of their personal funds to make the award possible and deserve the minimal act of appreciation demonstrated by a thank you note.

Remember that some donors can be permanently turned off to the concept of giving if they feel unappreciated.

Verify payments for students who cannot see an award on their Bursar account:

Run the Scholarship Recipients report.

This report will display:

The student name

The fund name

The award amount

The payment date

### Any refunds due to enrollment or over-awarding issues

If a payment shows on this report, the payment has left the Foundation office, and the Foundation can answer no questions after this point.

If the Foundation has already sent the payment to the Financial Aid Office, but it has not yet posted, please consider the payment date and Campus Mail cycles. The FAO should be given at least a week or two to receive the check and post the transactions. Contacting anyone to “check on their progress” always stops their progress. In other words, they have to stop posting **someone’s** payment to check on the one you’re researching. If the payment was just mailed from the Foundation a day or two before, let the student know it’s in progress and leave it at that.

If a voucher has been submitted, but the payment does not show on this report, the department (not the student) should contact the Foundation to receive an update on the status of the voucher.

### Communicate awarding issues:

If an account has restrictions that make the award impossible or nearly impossible to match with a qualified student, let the Foundation CFO know the specifics ASAP.

If an account has a cash balance so high that the majority of the funds cannot be awarded in the foreseeable future, let the Foundation CFO know the specifics ASAP. Money may be able to be transferred back into the endowment.

If an account has broad restrictions and has several qualified students but has a restriction limiting it to just one or two awards, let the Foundation CFO know the specifics ASAP.

If an account has a large cash balance but is restricted to a small award amount, let the CFO know the specifics ASAP.

### **Procedural Points: Checklist and Vouchers**

#### Scholarship Process Checklist:

Identify a complete list of your scholarship accounts. Use the Spend Cash report with the “CF” code in the Scholarship Code field. See page 55 of the Budget Officer User manual.

Identify amounts available for awards from each account. The Spend Cash report will also have this financial information.

Use either the cash balance (as of the report “to” date) or the Projected July 1 balance, depending on which semester the award is for and when the voucher is being prepared in relation to the semester of the award.

The Spend Cash report must be run per fiscal year to generate the correct balance (do not cross fiscal years). Example = FY20 would be transaction dates 07/01/2019 – 06/30/2020. You can run the report for current or previous fiscal years, but you must start with the beginning date of the fiscal year you are searching. This report will list the beginning cash balance, revenues, expenditures, transfers, ending cash balance, the projected transfer from endowment for the upcoming fiscal year (normally available at the end of February), and the projected cash available for the upcoming fiscal year (this includes the projected July 1 transfer from Endowment) for each cost center by School/Department and Program/Division that you have access to.

Assemble scholarship committee(s). Each account MAY have its own committee member requirements. In the absence of specific fund requirements, a standard selection committee for the unit may make the award offers for multiple/all accounts.

Identify the eligibility restrictions for each account that is not awarded via Academic Works. If you utilize Academic Works, that software already has the restrictions loaded into it.

Identify the list of all eligible recipients for each account. If you utilize Academic Works, it will generate this list for you.

If you know of a student who should be qualified for an award, but is not pulling into the Academic Works list, please research the situation.

If the student is not registered on Academic Works, encourage him/her to do so. You may still offer the award to the student, but you will need to gather the required eligibility documentation.

If the student IS registered on Academic Works, contact the Financial Aid Office to determine the reason that the qualified student is not listed.

Identify the due date to submit scholarship vouchers to the SIU Foundation.

Again, these are:

Fall vouchers, by June 1

Spring vouchers, by November 1

Summer vouchers, by March 1

Identify the amounts for each award offer, maximizing the spending from each account.

Consider:

Projected cash available or current cash balance, depending on the type of fund (endowed/not endowed), the time of year, and semester to which to apply the award.

Account restrictions on number or dollar amount of awards.

Plans for future years' payments of renewable (4-year) awards.

Average annual distribution amount – IF ANY – for future renewals.

Offer the awards to your students.

Pass along the “thank you” contact information to the scholarship recipients. If you use Academic Works for the award/acceptance process, there is a thank you process built into that program that the student will have access to. If you don't use Academic Works, you will need to contact Katy Green at the Foundation to retrieve the information to pass along to the student.

Gather the eligibility verification and selection committee lists for each award.

If utilizing Academic Works, the eligibility verification is simply a screen print of the “Qualified” screen.

If you’re not utilizing Academic Works, there will need to be a document confirming the eligibility of the student for EACH item listed in the restrictions. These documents must come from a third party, auditable source. (For instance, our auditors won’t accept a memo attesting to the fact a student has a GPA of 4.0, it must be a screen shot.) Required essays, applications, and letters of recommendation must be attached.

The selection committee list should include both the name and the title of each member.

Read the current scholarship voucher instructions document, available on the SIUF website.

Identify attachment, signature, and routing requirements for voucher pages.

Completing a compliant voucher saves everyone time later.

Common compliance issues:

Wrong Budget Officer Signature

No Budget Officer Signature

No money in the account

Missing attachments

No account information

Hours exception granted from a fund prohibiting hours exceptions

No answer or incorrect answer to citizenship question

Page 3 or Page 4 mailed to the Foundation in error

Complete, sign, and submit the Foundation scholarship vouchers by the appropriate deadline.

Notify the SIU Foundation of any awarding issues or challenges you encounter for any given fund.

Re-award if the original recipient is no longer eligible to receive the award.

#### PREPARERS : Scholarship Voucher Submission:

Compliant vouchers are turned around for payment in roughly a day, unless held for a future payout date.

Read the Scholarship Voucher instructions document on the SIU Foundation website at the following link:

<https://siuf.org/intranet/scholarship-administration.php>

Refer to the help documents listed on the same web page.

The “Awarding SIU Foundation Scholarship Funds” document is a comprehensive guide to the entire scholarship process and should be read by all new budget officers and first-time voucher preparers.

The “Scholarship Processing Tips” document is formatted as more of a Q & A about the scholarship process with some “how to” notes regarding voucher preparation. Great for a refresher or quick reference guide.

The “Scholarship Process Checklist” can be printed and followed through the entire awarding process to prevent the omission of a step.

The “Scholarship Training Outline” is a written version of the training portion of this meeting.

#### Voucher preparation:

Select the appropriate campus.

Type the name of the voucher preparer on the line. This is the person who will be contacted in the event of a question or problem.

Provide the email address, phone number, and mail code of the voucher preparer.

Provide the name of the department issuing the award.

Select the appropriate college/unit from the drop-down menu.

Select the semester and corresponding calendar year for the award. You may complete a scholarship voucher for a past semester, as long as the student was enrolled and eligible for the award in that semester.

Select the prefix for the student.

Type the full last name, first name, and middle name of the student.

Do NOT use nicknames, and double-check spelling.

Provide the student's dawg tag. Double-check typing.

Verify the student's citizenship in Banner, and select the appropriate answer to the citizenship question. If the answer is "no," complete and attach the SIU contractual service voucher.

Enter the amount of the award for that semester in the "Current payment" field. The corresponding "Current Payment" field below should auto-populate.

If there is a future award expected, you may enter that information in the "Future Payments Allocation" section. This DOES NOT create an entry for that future payment. It is simply a notification device for FAO to collect information to include in that student's package.

Complete the "Foundation Account Title" and "Foundation Account Number" fields with your account information.

Item 1 in the verification box may be left blank if the name of the award matches the name of the fund.

If the award name matches any Foundation account title, the award must be paid directly from the Foundation account with the matching title.

If the named fund does not have a sufficient cash balance to pay the award, a transfer may be processed from a departmental Foundation account to the named fund to make up for the shortfall.

Item 2 in the verification box must have an answer.

If the fund restrictions require a full-time student, the answer must be “no.”

If the fund restrictions do not require a full-time student, the answer is left to the discretion of the budget officer.

Item 3 in the verification box should be “yes,” and the department should have already passed along the thank you contact information to the student.

Item 4 in the verification box should be “yes,” and the department should confirm the awardable cash amount prior to mailing the voucher to the SIU Foundation.

Item 5 in the verification box should be “yes,” and all required documentation of eligibility must be attached. The qualification screen from Academic Works is the quickest way to fulfill this requirement. This should basically be whatever was presented to the selection committee as proof that the student was qualified.

Item 6 in the verification box should be “yes,” and the names and titles of all members of the selection committee should be attached.

The CORRECT budget officer must sign and date the form. In the absence of the budget officer, the authorized delegate may sign.

NOTE: University account delegates are not always delegates on the Foundation accounts. Verify signature authorization prior to signing scholarship vouchers.

Vouchers with a CSV attached should be assembled in this order and mailed to the International Tax Office at MC 6520:

CSV

Scholarship voucher – Page 1

Scholarship voucher – Page 2

Eligibility Documentation

Selection Committee List

Vouchers with NO CSV should be assembled in this order and mailed to the SIU Foundation at MC 6805:

Scholarship voucher – Page 1

Scholarship voucher – Page 2

Eligibility Documentation

Selection Committee List

ALWAYS mail Page 3 of the scholarship voucher to Financial Aid at MC 4702.

Page 4 of the scholarship voucher may either be given to the student recipient or shredded.

Vouchers must be secured with a paperclip – no staples.

Do not include blank pages, cash balance reports from UBW, or restrictions reports from UBW.

The vouchers to make the Fall payment and Spring payment for the same award may be submitted at the same time, but they must not be clipped together.

A full set of required documentation must be attached to every, single voucher submitted. (Make copies of the attachments to the Fall voucher to attach to the Spring voucher.)

Never attach a thank you letter to the scholarship voucher. They may be mailed to the Foundation in the same envelope, but they must stay separate and distinct from the vouchers to avoid being lost.

Review the scholarship voucher before mailing to make ensure:

Every field is populated.

The budget officer has signed the voucher.

There are at least two attachments for each voucher.

### **Questions to Answer When Awarding:**

For accounts that have been underspent:

1. Were all eligible recipients awarded?
2. Were all selected recipients awarded the maximum amount?
3. Is there an unrealistic restriction on the number or dollar amount of the awards?
4. Is there an extraordinarily large sum of money in the spendable fund that should be transferred back into the endowment?

For accounts that were not awarded or could benefit from stips revision:

1. What restriction(s) makes this award difficult to match with qualified students?

If Departmental/Activities accounts were used for awards:

1. Was there a named scholarship account for which these student recipients were eligible?

For accounts marked for potential closure:

1. Do you feel you could consistently award this account if it were funded?
2. If so, discuss funding needs with Development Officer.
3. If not, please prepare a memo requesting that the account be closed and include the name and number of another account in your area to which to transfer any remaining balance.