Policies & Procedures for Awarding Scholarships

Scope and Intent of the Policy

The Ventura College Foundation ("VC Foundation") provides scholarship grants to the students of Ventura College to enable the recipients to complete an undergraduate education in the field of their choice at the college of their choice.

The VC Foundation has established the following procedures pursuant to which scholarship grants will be received, processed, and awarded. The following procedures shall be interpreted so as to ensure the VC Foundation staff's compliance with all applicable requirements of the Internal Revenue Code (IRC), including Section 4966, accompanying Treasury Regulations and guidance from the Internal Revenue Service, and these procedures may be amended from time to time.

1. Scholarship Donor Policies

For purposes of this document, a donor will be defined as an individual or organization, including a corporation, partnership or trust, which makes a contribution to a fund where such fund is separately identified by reference to contributions of the donor.

By scholarship provider standards, the VC Foundation is considered a 501(c)(3) public charity. Donor participation in the scholarship process must be carefully structured for public charities. If participation becomes too great, the donor's scholarship fund can meet the legal definition of a Donor Advised Fund ("DAF") unless it satisfies stringent requirements to be a Qualifying Scholarship Fund.

As a result of the Pension Protection Act of 2006, Donor Advised Funds are prohibited from awarding scholarships. Therefore, scholarship funds with donor participation must be structured to avoid being characterized as Donor Advised Funds in order to award scholarships.

DAF Definition:

1. Fund is owned or controlled by a sponsoring organization (ex: public charities, war veteran and fraternal organizations)
2. Fund is separately identified by reference to contributions of donor(s) (ex: fund bears name of donor/advisor and/or fund tracks contributions of specific donor(s))
3. Donor/advisor has or expects advisory privileges as to distributions or investments because of donor status (ex: donor makes non-binding recommendations, which sponsor must consider) Advisory privileges do not include gift restrictions made at the front end of the gift.

If all of the above are true, the fund is a DAF.

1A. Lawful Donor Involvement

The VC Foundation values and encourages the interest and involvement of donors to funds established to make Scholarship Grants. Such involvement may take place at the front end of the gift and includes naming the scholarship, developing criteria for eligible candidates, serving on the scholarship review committee and recommending others to serve on the selection committee, so long as the recommendation is based on objective criteria related to expertise.

1B. Developing Scholarship Criteria

The criteria to be used in selecting grant recipients from a fund established at the VC Foundation must be based on criteria that are appropriate to accomplishing the underlying purpose of the scholarship as described in the agreement creating such Fund. VC Foundation staff will work with donors to establish Funds that fulfill the donor's charitable goals and specify clear selection criteria.

For Scholarship Grants, such criteria may include, but are not limited to, the following: prior academic performance, recommendations from instructors of such applicant and any others who have knowledge of the applicant's capabilities, additional biographical information regarding an applicant's career, academic and other relevant experiences, financial need and conclusions which the grant selection committee may draw as to the applicant's motivation, character, ability, or potential. Criteria may also include the applicant's place of residence, past or future attendance at a particular school, past or proposed course of study or evidence of his or her artistic, scientific or other special talent.

Criteria must be in compliance with the Equal Protection Clause, Title VI of the Civil Rights Act, and Title IX of the Education Amendments of 1972 that Colleges and Universities must abide by and may not include race, ethnicity, national origin, citizenship status, sexual orientation, gender or gender identity, age, marital/parental status, and more.

2. Scholarship Application and Awardee Selection Policies

2A. Minimum Criteria for VC Students to Apply for Scholarships

Applicants for Scholarship Grants must (1) be enrolled at Ventura College (full time or part time) at the time of application submission and (2) have previously passed or are on track to pass a minimum of 6 Ventura College units by the close of the fall semester.

Students who have in the past been awarded a scholarship (or scholarships) for transfer are ineligible to apply for VC Foundation scholarships again as long as that transfer scholarship has not yet been claimed and is still attached to the student's record as claimable. If they choose to forfeit their transfer scholarship and are enrolled at Ventura College during the application cycle, they then may apply again for scholarships.

Students who have in the past been awarded a Phoenix scholarship (or scholarships) (excluding Veteran scholarships) are ineligible to receive a Phoenix scholarship again. This policy maximizes the opportunity for re-entry students to have access to this limited funding. These past Phoenix recipients, however, are eligible to apply again and be considered for any non-Phoenix scholarships they are eligible for.

Students may receive a maximum of $3,900 in Osher scholarship funds.

Dual enrollment students (those who are enrolled in high school and VC classes simultaneously) are eligible to apply as long as they meet the minimum criteria listed above. These students may be continuing at VC or transferring to a four-year University in the academic year post high school graduation.

2B. Outreach and Marketing of Scholarships

In connection with Scholarship Grants, the VC Foundation staff and designated members shall advertise the availability of the VC Foundation's Scholarship Grants as widely as possible including but not limited to outreach at campus events, visits to classrooms, social media, email broadcasts, scholarship application workshops, student and campus ambassadors, and more. Said outreach is to take place before and during the application process.

The group from which grant recipients are selected must be sufficiently broad so that giving grants to one or more members of the group fulfills a charitable purpose (one designed to benefit, ameliorate, or uplift mankind mentally, morally, or physically).

2C. Application Process

Applicants for Scholarship Grants shall be required to submit such application forms and supporting materials as the VC Foundation may deem appropriate on a schedule to be determined by the staff. The application is generally open from early October to mid-January.

Applicants must submit a complete online application to the VC Foundation before the deadline to be considered. A complete application includes responses to all questions required as part of the application, two short essays, one letter of recommendation (MUST be academic in nature and from VC staff/faculty), proof of VC enrollment in the current academic year, and a copy of unofficial transcripts.

Applicants are generally informed of their scholarships in early April.

2D. Scoring of Scholarship Applications

Candidate Pool

The group from which grant recipients are selected must be sufficiently broad so that giving grants to one or more members of the group fulfills a charitable purpose (one

designed to benefit, ameliorate, or uplift mankind mentally, morally, or physically). Grantees are to be selected on an objective and nondiscriminatory basis.

Scholarship Review Committee

The VC Foundation shall appoint all members of any selection committee charged with the evaluation of candidates for Scholarship Grants. Nominations shall be made by board members, current volunteers, VC alumni, and/or staff of the VC Foundation.

No combination of Donor-advisors, persons recommended or designated by Donor-advisors (or persons related to any of these persons) to a Fund that makes Scholarship Grants may, directly or indirectly, control any selection committee established in connection with such Fund. For example, Donor-advisors, persons recommended or designated by Donor-advisors and persons related to any of these persons shall not constitute a majority of any such selection committee (persons may include individuals, partnerships, corporations or trusts). Where a Donor-advisor recommends a person for appointment to a selection committee based on objective criteria related to the expertise of such person, such person will not be deemed to be appointed or designated by the Donor-advisor.

Donor-advisors and related persons may provide advice with respect to the selection of grant or award recipients solely as members of a selection committee.

Every member of any selection committee charged with the evaluation of candidates for Scholarship Grants shall adhere to the relevant policies, including these Procedures for Awarding Scholarships, of the VC Foundation as they may be adopted and amended from time to time, including without limitation a conflict of interest and confidentiality policy. Every member of any selection committee charged with the evaluation of candidates for Scholarship Grants shall be obligated to disclose any personal knowledge of and relationship with any potential grantee under consideration and to refrain from participation in the award process in a circumstance where he or she would derive, directly or indirectly, a private benefit if any potential grantee or grantees are selected over others. No grant covered by this policy may be awarded to any member of the VC Foundation Board of Directors, any substantial contributor to the VC Foundation, any employee of the VC Foundation, or any other disqualified person as defined in the IRC § 4946(a) with respect to the VC Foundation, or, with respect to grants from a particular Fund, any Donor-advisor or substantial contributor to such Fund or any member of a selection committee to such Fund, or for a purpose that is inconsistent with the purposes described in IRC § 170(c)(2)(B).

Each selection committee established under this policy shall forward its recommendations to the VC Foundation staff in such form and on such schedule as the

staff shall establish. The committee members who take part in the paramedic scholarship application review generally have from mid-November to early December to complete their reviews. Committee members who take part in the general scholarship application review generally have from late January to late February to complete their reviews.

The VC Foundation Board may authorize VC Foundation staff to approve any or all of the grants made under this policy.

3. Scholarship Disbursement Policies

Though students are informed of their scholarship awards in the spring, they are reminded that the funding is disbursed in the subsequent academic year.

Awardees can receive their first scholarship disbursement after August 1st.

Generally, VC Foundation scholarships will be disbursed across a period of two semesters or quarters including the summer semester following the fall/winter/spring semesters/quarters in which their scholarship was awarded or deferred to. Exceptions to this rule exist for some scholarships. Students will be informed of their specific scholarship's disbursement schedule at the time of their notification of scholarship awards.

Recipients of Scholarship Grants must meet the terms of their scholarship(s) to receive their funds. These can vary across individual funds but **all scholarships require** the recipient to be enrolled and demonstrate proof of said enrollment at an educational institution that provides an educational program acceptable for full credit toward a degree, or offers a training program to prepare students for gainful employment in a recognized occupation and is authorized under federal or state law to provide such a program and is accredited by a nationally recognized accreditation agency. All Scholarship Grants must be used for tuition and related expenses (as further described in the "Eligible Expenses" section that follows) at an educational institution described in IRC § 170(b)(1)(A)(ii), i.e., such institution must normally maintain a regular faculty and curriculum and must normally have a regularly organized body of students in attendance at the place where the educational activities are carried on. Accommodations will be extended to institutions that operate online curriculum. The VC Foundation reserves the right to impose additional, minor reasonable restrictions and/or requirements upon the awarding of Scholarship Grants and the administration of such grants. Any substantial or material changes will be made only with approval of the VC Foundation Board of Directors.

Some scholarships also require:

- Attendance at a particular educational institution or in a recognized program.
- Full-time enrollment (Exceptions made for students with documented disabilities)
- Maintenance or progress towards a certain Grade Point Average (GPA)

- Scholarships limited to athletes can only be awarded to transfer students and paid out upon the awardee's submission of proof of enrollment at said transfer institution.

Students will be informed of their specific scholarship's requirements at the time of their notification of scholarship awards.

3A. Payments of Transfer Student Scholarships

Unless otherwise provided in the fund agreement establishing a Scholarship, each Scholarship for students transferring out of the Ventura County Community College District shall be paid by the VC Foundation directly to the scholarship recipient. The recipient must provide documentation that proves enrollment at said educational institution to the VC Foundation staff in order for the grant funds to be disbursed. Each educational institution must be described in IRC § 170(b)(1)(A)(ii).

3B. Payments of Continuing Ventura College Student Scholarships

Unless otherwise provided in the fund agreement establishing a Scholarship Grant, each Scholarship Grant for students continuing at Ventura College will be paid by the VC Foundation directly to the scholarship recipient. The recipient must provide documentation that proves enrollment at Ventura College to the VC Foundation staff in order for the grant funds to be disbursed.

3C. Eligible Expenses

Unless otherwise provided in the fund agreement establishing a Scholarship Grant, a condition of each Scholarship Grant is that it will be used only for qualified tuition and related expenses within the meaning of IRC § 117(b)(2), and for room and board. Accordingly, a Scholarship Grant can be used only for: (1) tuition and fees required for the enrollment or attendance of the student at a qualifying institution; (2) fees, books, supplies, and equipment required for courses of instruction at such an educational institution; and (3) room and board. The Ventura College Foundation's scholarship policies also allow scholarship funds to be utilized for transportation, childcare, food, and other living expenses. An additional condition is that no part of the Scholarship Grant shall be used as payment for teaching, research, or other services by the scholarship recipient required as a condition for receiving the scholarship.

3D. Renewable Scholarships

Grants will ordinarily be awarded for a one-year period, but may be for a shorter or longer period. A Scholarship Grant may be renewable for a period appropriate to the purposes of the

Fund under which the award is established. Otherwise, the VC Foundation may consider renewing a grant on a case-by-case basis according to the purposes of the grant.

3E. Deferrals

If the grantee is unable to enroll in school in the period of which the scholarship was designated to be used, the grantee may request to defer their scholarship funds to the next fiscal/academic year. The request must consist of the grantee's full name, student ID number, reason why they were unable to enroll in school, which semester to defer their scholarship funds to, which institution they plan to be enrolled at, and any other information for clarification purposes. This request must be submitted in writing either by email or a signed letter. The request must be received in early March of any fiscal year to be deferred into the next fiscal year.

Grantees are permitted to defer their scholarships for a maximum period of two consecutive academic years. If the grantees have had extremely unusual circumstances that have kept them from enrolling in courses, they may go through an appeals process to defer their scholarship a third time. The process consists of a form in which the student may explain their special circumstances, detail their steps to enroll in the coming academic year and at which institution, and specify the measures in place to ensure their success in enrolling. These forms must be received in early March of any fiscal year and are reviewed toward the end of each fiscal year by the VC Foundation Board of Directors Scholarship and Grants Committee.

3F. Student Incompliance with Scholarship Grant Terms

If the VC Foundation staff learns that all or any part of a grant is not being used in furtherance of the purposes of the grant, the staff shall take all reasonable and appropriate steps to recover the grant funds and/or ensure restoration of the diverted funds to the purposes of the grant. If such a diversion occurs and the grantee has not previously diverted grant funds to any use not in furtherance of the purposes of the grant, the staff shall withhold any further payments to the grantee until it has received the grantee's assurance that future diversions shall not occur and shall require the grantee to take extraordinary precautions to prevent future diversions from occurring.

Where a grantee has previously diverted funds received from the VC Foundation and the VC Foundation staff determines that any part of a grant has again been used for improper purposes, the staff shall take all reasonable and appropriate steps to recover the grant funds and/or ensure restoration of the diverted funds to the purposes of the grant. In such case, the

VC Foundation staff shall withhold further payments until: (1) the diverted funds are in fact recovered or restored; (2) the staff have received the grantee's assurances that future diversions will not occur; and (3) the staff require the grantee to take extraordinary precautions to prevent future diversions from occurring.

The phrase "all reasonable and appropriate steps," as used above, shall include legal action where appropriate, but need not include legal action if such action would in all probability not result in the satisfaction of execution on a judgment.

4. Recordkeeping

The VC Foundation staff shall retain the following records in connection with all Scholarship Grants: all information obtained by the Foundation to evaluate the qualifications of potential grantees, the identification of grantees (including any association of any grantee to VC Foundation staff or to a director or officer of the VC Foundation), the purpose and amount of each grant, and any additional information the VC Foundation staff obtain in complying with its grants administration procedures. Information pertaining to unsuccessful applicants for awards shall be kept along with information on successful applicants.

Records pertaining to any scholarship grant made pursuant to this policy shall be kept for no less than four years (six preferred) after the close of the calendar year in which the scholarship work was completed.