

Recommended By: Finance and Audit Committee

Title of Policy: SCHOLARSHIP FUND POLICY

Policy Number: 2.2

Approval Date: November 2, 2019

Approved By: Board of Directors

Purpose:

Because people in need matter to God, as part of the ministry of the EFCC, financial assistance for post-secondary training may sometimes be provided to individuals involved in EFCC mission projects (national or international) who are experiencing financial or material needs. This ministry falls in line with the following charitable activities of the EFCC (numbers 4. and 6. particularly):

1. Encouragement of EFCC Churches across Canada and solicitation of support for our missionaries in Canada and around the world.
2. Missionaries in Canada and around the world provide ministry outreach.
3. Church Community Building through EFCC sponsored events (conferences, seminar & retreats).
4. Provide Leadership Training for pastors, missionaries and other church members.
5. International Compassion outreach to meet the needs of the poor (shelter, meals, water, Bibles and medical supplies).
6. Provide Children & Youth Programs (scholarships, deaf materials, clothing, school supplies, playgrounds, shelters and camps).

The purpose of this policy is to help the EFCC distribute scholarship funds objectively and to provide a basis for appropriate government reporting. The process for distributing scholarship funds includes determining:

- who can make application for assistance
- what the eligibility criteria and guidelines are
- whom then to assist
- how much assistance to provide
- under what conditions to offer such assistance
- who is responsible for distributing funds
- how the funds are delivered.

Scope:

This policy applies to **all requests made to the EFCC for Post-Secondary Scholarship Funding.**

Policy:

A. EFCC SCHOLARSHIP COMMITTEE

The EFCC Scholarship Committee is responsible for administering the Scholarship Funds within established guidelines. The Scholarship Committee will be made up of the Executive Director, the National Mission Director, the EFCCM Director, the Manager of Finance & Administration and the Manager of Personnel and Projects or their designates. Other individuals may be invited in to the meetings in an ad hoc capacity if determined by the committee. A chairman will be chosen from within the committee and a recording secretary will be appointed to ensure accurate records are kept.

B. FUNDING

The EFCC will only provide assistance as resources are available. All scholarship funds received will remain under the direction and control of the **EFCC Scholarship Committee** and will be dispersed at its discretion.

Funding sources are as follows:

1. Funds designated by an individual donor towards the EFCC Scholarship Fund.
2. The EFCC Scholarship Committee may request to allocate funds from other EFCC ministry accounts to the Scholarship Fund when determined appropriate and with the approval of the EFCCM Director or National Mission Director.
3. Fundraising for Scholarship Fund
 - a. Gifts given towards an approved scholarship project will be used as designated with the understanding that when a given need has been met, as determined by the Scholarship Committee, any excess will be used for other scholarship projects. All special appeals must clearly display this understanding.
 - b. The EFCC will refuse gifts designated toward a specific scholarship project before the approval of the project.
 - c. Fundraising for a specific project will only be approved if the project meets all the criteria and guidelines of this policy as a whole. **Caution** should be exercised when it can be reasonably expected that financial support for the project will come from only a small group of individuals, especially when the expected donors are closely related (i.e., non-arm's length) to the needy individual.

C. PROCESS

1. Application is Made

A properly completed "Application Request for Scholarship Funds" (see attached) must be completed by either a Missionary (national or international), a Regional Ministry

Facilitator or the National Mission Director and passed on to the Scholarship Committee in order for the project to be considered for funding.

2. Scholarship Committee meets to review all applications and determine Eligibility

- a. The Committee will convene whenever an application has been received in order to review applications and determine eligibility for funding. An interview with the applicant may also be required.

i. Eligibility for funding:

a) Criteria

The following criteria **MUST** be met in order for an application to receive approval:

- 1) It has been determined that the person or family is in a time of need and is unable to fund the training.
- 2) It has been determined that all other possible sources of financial assistance have been exhausted (including community or government programs, support from the individual's local church or other churches in the area, etc.).
- 3) The need **MUST** contribute to the furthering of the charitable activities of the EFCC (see above).
- 4) The providing of scholarship funds to an individual or group must serve to help not only the individual but also the greater good of society in the short and long-term.
- 5) Because every request for funding is unique, determination of eligibility will be considered on a case-by-case basis at the discretion of the EFCC Scholarship Committee.

b) Guidelines

For the EFCC's Scholarship program, the following guidelines should be applied in determining need and eligibility for assistance from the EFCC.

- 1) All assistance, including reporting, shall comply with the requirements of the Income Tax Act and Regulations. The assistance must be charitable under the law. A Canadian registered charity may only engage in public benevolence and not private benevolence.

- 2) Any Canadian citizen receiving funds for scholarship from the EFCC will be issued a T4A for the income received.
- 3) The EFCC will not participate financially (funding or receipting) in projects which the law considers to be private benevolence.
- 4) Any person, 18 years of age or older within the scope and outreach of the EFCC ministry and projects can be eligible for funding.
- 5) The applicant must plan to be a FULL TIME student and have an offer of admission to an accredited school for the upcoming semester in a program leading to the completion of a certificate, diploma or undergraduate degree, OR be a continuing FULL TIME student maintaining a minimum GPA of 2.00 each semester and registered in a program leading to the completion of a certificate, diploma or undergraduate degree
- 6) A dependent individual's need must be assessed in consultation with the person who has legal responsibility for the individual, and the financial status of the legal parent or guardian will be taken into consideration.
- 7) Needs that will be considered for scholarship assistance will be determined by the EFCC Scholarship Committee but could include:
 - i. Individuals who are in need of funding for special education or training opportunities due to social, emotional, rehabilitation or related difficulties.
 - ii. Other situations of demonstrated need.
- 8) Needs NOT considered for scholarship assistance:
 - i. Individuals on social assistance (except for types of assistance that are not considered to be 'income' by the relevant funding agency, to be determined in advance by consulting with a knowledgeable employee of the funding agency).
 - ii. An individual or those legally responsible for the individual who are determined to have adequate resources, unless the individual has been rejected by those responsible persons (e.g., because of faith).
- 9) When financial assistance is provided, consideration should also be given to meeting the spiritual, physical, mental, emotional, and other needs of the party receiving assistance.
- 10) The EFCC will provide assistance for a specific training need for only one year at a time. If more than one year of training is required, the applicant must apply annually. There is no automatic carry over of scholarship funding from one year to the next.

- 11) Scholarship Assistance can be provided for the same individual to a maximum of 5 (five) times (ie 5 years of training maximum).
- 12) A successful applicant must be willing to commit at least 1 year (12 months) of work or service to their home community or church following the completed training. A signed "Scholarship Recipient Commitment Form" (see attached) must be submitted prior to release of funds.
- 13) Private charity between individuals is encouraged, but it must be done independently of the EFCC.

3. Scholarship Committee Evaluation

Based on all the above criteria and guidelines, the Scholarship Committee either approves or rejects an application for scholarship funding and informs the person who made application as soon as possible.

4. Release of Funds

The Scholarship Committee determines the AMOUNT of money that is to be released from the Scholarship Fund for each approved application and informs the applicant of such. Prior to any funds being released, a "Scholarship Recipient Commitment Form" (see attached) must be completed and signed. **The funds would be sent directly to the approved school** and follow the usual guidelines as set up by the Financial Policies and Procedures Manual.

D. DOCUMENTATION & FOLLOW UP

Written documentation of all meetings of the Scholarship Committee **MUST** be kept and should clearly reflect the process involved and reasons for granting assistance in compliance with the criteria and guidelines for Scholarship funding as described above.

All documentation shall be signed by two members of the Scholarship Committee and be filed in a confidential and secure place.

A written follow up report, "Scholarship Funds Follow Up Report" (see attached) must be completed for every approved application and must be sent to the Scholarship Committee. This is usually completed and sent by the person who made the initial application. This report should indicate that the money was spent for its intended purpose. This report must be filed with the original application in a secure location.

Application Request for Scholarship Funds

Date: _____

EFCC Person making request for Scholarship Funding _____

Email _____ Phone Number _____

A. Scholarship Funding is being requested for the following person:

Name _____ Phone Number _____

Address _____

Date of Birth _____

Martial Status ___single ___married ___divorced ___widowed ___remarried

Current Occupation _____

Members of immediate family (relationship and age):

_____	_____
_____	_____
_____	_____

Relationship to EFCC personnel making application: _____

B. Type of Scholarship being requested:

1. Is this a:

- | | |
|---------------------------|------------------------------------------|
| _____ First time request | |
| _____ Second time request | What is the student's current GPA? _____ |
| _____ Third time request | What is the student's current GPA? _____ |
| _____ Forth time request | What is the student's current GPA? _____ |
| _____ Fifth time request | What is the student's current GPA? _____ |

Give details of training desired: _____

2. Why he/she is unable to pay for it: _____

3. How this will benefit the greater good of society, as well as the individual: _____

4. Is the individual planning to/willing to return to his/her home community to work or serve for a minimum of 1 year (12 months) following completion of training? (A signed "Scholarship Recipient Commitment Form must be submitted if application approved)
_____ yes _____no

C. Eligibility:

Have all other avenues for funding been exhausted? _____
(family, community/government programs, fundraising, local church, etc)

Is the person needing scholarship assistance a dependent? _____

If yes, has the legal guardian/parent been consulted? _____

If yes, has it been determined that the legal guardian/parent cannot financially provide
for the dependent person in need? _____

For Scholarship Committee Use Only

Does the above application fit within the criteria and guidelines: ___ yes ___ no

Application ___ APPROVED ___ REJECTED Date: _____

Approved by: _____ Title: _____

Person making request was notified on: _____

Scholarship Recipient Commitment Form (see attached) signed and received _____

Amount of funds to be released: \$ _____ Date funds sent: _____

Scholarship Funds Follow Up Report

(to be completed within 6 months of funds being received)

Date: _____

EFCC Person who made request for Scholarship Funding _____

Email _____ Phone Number _____

D. Scholarship Funding was requested for the following person/family:

Name _____ Phone Number _____

Address _____

E. The education/training funds were made for:

- _____ First time request
- _____ Second time request
- _____ Third time request _____
- _____ Forth time request
- _____ Fifth time request

F. Report on how funds were used and how recipient is doing (including GPA, if possible):

Report Received by Scholarship Committee on: _____ (date)

Scholarship Recipient Commitment Form

Date: _____

Scholarship Fund Recipient Name: _____

Email _____ Phone Number _____

Address _____

As the recipient of a Scholarship to study at _____
(name of institution)

I commit to returning to my home community of _____ to work/serve for a minimum of **12 months** following completion of my training.

Signed: _____ (student)

Witness: Name _____ (EFCCM Personal, printed)

Signature _____

Title: _____