

6650 SCHOLARSHIP FUND GIFTS

In order to administer special funds bequeathed to this district for scholarship purposes, the Board of Education requires ~~each such funds gifts~~ to be deposited in a ~~separate~~ interest-bearing bank account. ~~carrying the name of the fund.~~ **The accounting for various scholarship gifts shall include separation of the gifts into individual scholarship funds within the same bank account. Accounting practices shall be the same as for any other account created under Policy 6660 and in accord with practices and procedures proscribed by the Business Office. The fund shall be maintained by the Director of School Counseling.**

The **School Business Administrator/Board Secretary/ or Assistant School Business Administrator/Assistant Board Secretary** is authorized to obtain interest for each scholarship fund at a **reasonable interest rate** ~~the fixed bank rate~~ on such terms as may seem to him/her advisable and to make, execute, and deliver all instruments of assignment and transfer. **Any interest derived from this account shall first reimburse the Board of Education for funds expended in maintaining or administering the account. Any leftover interest shall thereafter be distributed to each scholarship fund in a reasonable manner proscribed by the Business Administrator/Board Secretary.**

~~Disbursements from a scholarship fund shall be made by the Director of Counseling in accordance with a schedule having the prior approval of the Board.~~

Funds are eligible to be maintained in the Scholarship Fund if they are provided to the Board of Education in accordance with Policy 7230. At the time of donation, the donor must designate criteria for selecting scholarship recipients, the goal of the specific scholarship, and expected duration of the scholarship. The donor retains the option to select scholarship recipients. Once a donor makes a gift in accordance with Policy 7230 for the purpose of awarding scholarships, funds cannot be returned to the donor without approval of the Board of Education.

If the scholarship is to be made available for more than one year, the donor must specify the mechanism for awarding scholarships in future years and a funding schedule if subsequent funding will be needed. After one school year where the donor has either failed to select a candidate to receive the scholarship or failed to respond to inquiries, the specific scholarship fund shall be considered defunct if funds have previously been donated and remain in the Board of Education's possession.



POLICY

RANDOLPH BOARD OF EDUCATION

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When a scholarship fund has been classified as defunct, one final attempt shall be made to contact the donor. If contact is not able to be made with the donor, or the donor fails to provide adequate direction for continued awarding of a scholarship, the Director of School Counseling shall thereafter take steps to eliminate the defunct fund.

To eliminate a defunct fund, the Director of School Counseling shall first attempt to award the scholarship according to the donor's prior criteria to the extent possible. If utilizing the original criteria is not possible, the Director of School Counseling shall award the remaining funds in a scholarship using the following minimum criteria: (1) academic success; and (2) a positive impact on the Randolph Township Schools community. Scholarships shall be awarded in the original amount of the scholarship gift until all funds have been distributed. When all funds have been distributed, the scholarship fund shall be eliminated.

N.J.S.A. 18A:11-1

Adopted: 17 July 2012
Revised: _____

