

## **POLICIES AND PROCEDURES OF THE ASPSF**

**T**he mission of the Arkansas Single Parent Scholarship Fund (ASPSF) is to enable single parents to attain self-sufficiency through post-secondary education. This is accomplished by initiating and developing community-based incentive scholarship funds within the state for the purpose of helping single parents enroll in institutions of higher learning, complete their studies, and obtain remunerative employment. Organizations wishing to assume responsibility for local Single Parent Scholarship Funds are encouraged to read the following policies and procedures carefully and to work closely with ASPSF staff in the development of their affiliates.

### **REQUIREMENTS FOR AFFILIATE STATUS**

To qualify for affiliate status with the ASPSF, an organization must satisfy the following requirements:

1. Have an active board of directors representative of all county residents with a recommended minimum of eight members, bylaws and operating plan.
2. Ensure that scholarship awards are provided to county residents who are:
  - a. economically disadvantaged,
  - b. single parents with primary custodial care of at least one child under the age of 18,
  - c. high school graduates or hold the General Educational Development certificate (GED),
  - d. have not previously earned a baccalaureate degree from a four year institution of higher learning, with the exception of candidates for the Masters of Arts Degree in Teaching,
  - e. recipients or applicants of the Federal Pell Grant, and
  - f. enrolled in a post-secondary educational course of study leading to a degree, diploma, or certificate of graduation.
3. Accept responsibility for local fundraising and ensure that scholarships are disbursed on a consistent continuing basis, by semester, bi-annually or annually.
4. Ensure that scholarships are awarded on a fair and equitable basis without consideration of race, religion, ethnicity, age, gender or sexual orientation. Board members may not apply for scholarships; they may not participate in applicant rating or selection if close relatives by blood or marriage are applicants.
5. Ensure proper management of all contributions, grants and other monies made available to

the affiliate,

6. Provide timely information to ASPSF concerning the number of scholarships awarded, amount of funds raised and disbursed, demographic data and success rate of awardees, generated publicity and other information as may reasonably be requested,
7. Administer a Single Parent Scholarship Fund as a free-standing program of post-secondary educational assistance, with no requirements of awardees to participate in other programs or activities beyond the scope of the SPSF.
8. Submit to ASPSF a completed Affiliation Agreement Form and a copy of its current constitution and governing bylaws, a current contact list of all SPSF board members, and a copy of the current Memorandum of Understanding between it and its fiscal sponsor.

## **1. ORGANIZATIONAL STATUS OF AFFILIATES**

The ASPSF seeks established organizations to sponsor the financial management of SPSF affiliates. Ideally, these are nonprofit organizations with 501(c)3 tax exempt status that have their own bookkeeping and auditing systems as well as strong roots in the community. However, a wide range of organizations compose our family of affiliates, including such entities as community colleges, economic development districts, public school districts, and several community action agencies. We will work closely with any established or startup nonprofit group as long as it is willing to serve the entire community, holds values similar to those which guide the ASPSF, and demonstrates the potential of developing a successful Single Parent Scholarship Fund.

ASPSF affiliates with groups, whether they are called affiliate boards of directors, advisory boards, task forces or committees, that take responsibility for the planning and implementation of the scholarship activities. Unless the group is an organization that is incorporated, it establishes a relationship with an independent organization to receive financial management services. This fiscal sponsor is a tax-exempt nonprofit organization willing to accept contributions and expend funds on behalf of the affiliate according to the terms of a Memorandum of Understanding between the affiliate and the fiscal sponsor. The fiscal sponsor agrees to provide a complete and accurate income statement or statement of cash flow, upon request.

## **2. CONSISTENT PROVISION OF SCHOLARSHIPS**

Once an affiliate is able to offer its first semester of scholarships, awards should be made on a

consistent basis. This will require ongoing efforts by the affiliate's board to maintain a donor base capable of supporting scholarship awards. Although a few SPSF affiliates disburse scholarships once per year, more commonly affiliates practice to make such awards at the beginning of the fall and spring semesters. Summer semester awards, in addition to fall and spring, are made in counties with more substantial donor bases.

### **3. APPLICANT ELIGIBILITY GUIDELINES AND SELECTION PROCEDURES**

Each affiliate must award scholarships based on the mandated statewide guidelines, which are scholarship applicants who:

- are economically disadvantaged,
- are single parents with primary custodial care of at least one minor child,
- are high school graduates or hold the General Educational Development certificate (GED),
- have not previously earned a baccalaureate degree from a four year institution of higher learning, with the exception of candidates for the Masters of Arts Degree in Teaching,
- are recipients or applicants of the Federal Pell Grant (FAFSA), and
- are enrolled in a post-secondary educational course of study leading to a degree, diploma, or certificate of graduation.

Establishing additional applicant eligibility guidelines, printed application forms, and a specific method of recipient selection are fundamental components of all ASPSF affiliates. The board of directors for each affiliate should establish guidelines which reflect its intent to assist residents of the county who are single parents in need of financial assistance. Other factors the affiliate boards may want to consider include:

- the career direction, goal or commitment of the applicant;
- the type of institution attended;
- the applicant's income level or access to financial resources;
- the applicant's marital status;
- the applicant's grade point average or enrollment status, if appropriate; and
- the application submission for a Pell Grant (FAFSA)

ASPSF does not provide a standard scholarship application form used by all SPSF affiliates and each affiliate is free to design their own forms. At the end of this section is a sample scholarship application form. In addition, many affiliates have printable application forms available for download from their respective web pages on the ASPSF website at [www.aspsf.org](http://www.aspsf.org).

Applicant selection procedures may include: screening of applications to insure completeness and satisfaction of eligibility guidelines; personal interviews; and ranking of applicants according to criteria determined by the affiliate board. Each affiliate should decide on its own criteria based on the general specifications outlined by the ASPSF.

#### **4. AFFILIATE MATCHING GRANTS**

Pending availability, the ASPSF awards matching grants for local affiliate fundraising efforts. The current rate of match is up to \$8,000 annually in the 27 Delta counties (See “The Delta Scholarship Project” on page 1-7) and \$7,000 annually to all other counties. Each affiliate must submit a Matching Funds Request Form (found on page 6-5) after local funds have been raised. Documentation of local donations in support of each request (i.e. photocopies of bank deposit receipts, contribution checks, deposit slips, or official financial statements documenting donations) is also required. The form must be signed by the person who prepares the request and the fiscal officer of the affiliate. A fiscal officer is a representative of the fiscal sponsor who has the authority to sign documents on behalf of the organization. The cycle of matching grant eligibility is based on the calendar year. ASPSF does not make any guarantees on the availability of matching funds, so it is *highly recommended* that affiliates submit their matching requests early in the year in order to insure grant availability.

The ASPSF will match any cash contribution to an affiliate regardless of its origin, with the exception of our own grants. Affiliates are encouraged to explore and pursue the full range of local donor support and to utilize the availability of ASPSF matching grants as a leveraging factor in fundraising. Technical assistance in fundraising, donor identification, and record-keeping is available from the ASPSF staff, and fundraising fundamentals are explored in Section 7 of this guide.

The ASPSF Matching Grant Policy is found in Additional Information on page 10-8

#### **5. AFFILIATE FISCAL MANAGEMENT AND REPORTING**

Whether an affiliate handles its own money or enters into a fiscal sponsorship agreement with another nonprofit, accurate recordkeeping and handling of all funds is essential to a successful Single Parent Scholarship Fund. At its most basic, the bookkeeping system should track all re-

ceipts (credits) and expenditures (debits) as required by the local board. The system should also lend itself to an annual audit made available to members of the affiliate board of directors and, upon request, to donors.

The ASPSF requires that requests for matching grants include documentation of local support. It also requires that reports on scholarship awards include the value and number of scholarships. This information must be accurate and current to satisfy reporting requirements and to be made available (when appropriate) to the public. A major factor in attracting and keeping donors to the Single Parent Scholarship Fund is our affiliates' reputation in the community. Accurate and efficient fiscal recordkeeping is crucial to building and maintaining an honorable reputation.

Section 3 provides more information about financial management of your SPSF.

## **6. AFFILIATE REPORTS TO ASPSF**

Maintaining current information on the number and dollar value of scholarships awarded by affiliates is critical to our organization. Affiliates are asked to submit a *Scholarship Award Report* (found on page 6-7 or <http://aspsf.org/affiliates.html>) at the end of each semester.

Information on the amount of generated local support should be provided to the ASPSF on the *Matching Funds Request Form* (found on page 6-5 or <http://aspsf.org/affiliates.html>) and submitted each time affiliates wish to receive a match of local contributions.

Affiliates are also asked to submit the *ASPSF Recipient Follow-Up Report* on an annual basis. This report provides information on the retention, graduation, drop-out, employment rates and certain demographic information of recipients served during the previous year, and is used to determine the effectiveness of our program in helping students complete their studies in preparation for remunerative, skilled employment. This form is distributed to affiliates at the beginning of each year and is also available on the ASPSF website at <http://www.aspsf.org/affiliates.html>. A sample Follow-Up Report form can be found on pages 6-8 through 6-9.

The ASPSF always appreciates receiving copies of public service announcements, news articles, fundraising materials, brochures, thank you letters from recipients, and any other publicity generated by affiliates. These are used to inform the general public and our donors of the efforts being made to help single parents in their academic and career pursuits.

## **7. APPLICATION FOR AFFILIATE STATUS**

Organizations interested in assuming responsibility for affiliate status are urged to discuss their interest with the ASPSF prior to submitting an *Affiliation Agreement* form. This form may be submitted at any time, accompanied by a copy of the applicant organization's constitution and governing bylaws. If the applicant organization is not established as a nonprofit organization and/or does not have a written set of affiliate bylaws, further conferencing with ASPSF staff will be necessary to determine eligibility. An *Affiliation Agreement* form is provided on pages 6-2 and 6-3 in the “ASPSF Forms” section.

When available, \$1,000 seed grants are offered to new affiliates in addition to the annual matching grant commitment, currently \$7,000 in non-Delta counties and \$8,000 in Delta counties. A *Seed Grant Application Form* is found on page 6-4 of the “ASPSF Forms” section or at <http://aspsf.org/affiliates.html>.

## **8. TERMINATION OF AFFILIATE STATUS**

Should an affiliate fail to meet its responsibilities as outlined previously or submit intentionally inaccurate or incomplete information, a notice shall be issued to the affiliate board of directors informing them that the affiliation status is in jeopardy. ASPSF staff will clearly and specifically describe its reasons for taking this action and will give the affiliate a reasonable amount of time to comply. If the affiliate has not complied within the allotted time, a notice of termination of affiliation will be issued. Once such a notice is sent, the organization in question will no longer represent its county as an ASPSF affiliate and a replacement organization will be sought. For more information on these policies and procedures, please contact the ASPSF office at:

Ralph Nesson, Executive Director  
Arkansas Single Parent Scholarship Fund  
614 East Emma Avenue, Suite 119  
Springdale, AR 72764

Phone: (479) 927-1402  
Fax: (479) 927-0755  
Email: [rnesson@jtlshop.jonesnet.org](mailto:rnesson@jtlshop.jonesnet.org)  
Web: <http://www.aspsf.org>

## IDEAL AFFILIATE CHARACTERISTICS

Listed below are ideal characteristics of an affiliate. No one affiliate will meet all of these, nor is it expected that one should. Rather these are offered as simple guidelines for how an affiliate can determine for itself if it is working at its fullest potential.

- The affiliate has a diverse board that reflects the diversity of the county.
- Field representatives are involved in the work of the board (where applicable).
- The board is community oriented. It has an active public outreach component that includes public relations, and community participation in fundraising.
- The affiliate awards scholarships on a fair and equitable basis three times per year.
- At least three representatives of the affiliate attend the Leadership Development Conference and regional training workshops.
- The affiliate submits reports and information and responds to ASPSF in a timely manner.
- The board meets at least eight times per year or has committees that meet at least monthly to conduct ongoing business of the affiliate.
- The affiliate holds at least one high-profile community fundraiser annually.
- The affiliate has a broad base of support.
- Leadership within the affiliate rotates on a regular schedule, with at least one new member and one existing member rotating off each year.
- The affiliate has a board development committee that actively recruits highly dedicated leadership.
- The board is comprised of at least 12 members.
- The affiliate leadership agrees to and signs a Board Service Commitment Pledge. (see section 4-7)

# SAMPLE

## PRAIRIE COUNTY SINGLE PARENT SCHOLARSHIP FUND POLICIES AND PROCEDURES

### I. POLICIES

#### 1. **Affiliate Status**

The Single Parent Scholarship of Prairie County will meet all requirements for affiliation with the ASPSF to include:

- a. Becoming a not-for-profit organization governed by an active board of directors;
- b. Providing scholarships within the Prairie County area on a consistent per semester basis;
- c. Accepting the responsibility for developing applicant eligibility guidelines and selection procedures;
- d. Fundraising to meet the local match requirements for ASPSF grants;
- e. Establishing and maintenance of an accurate fiscal management system;
- f. Establishing timely reporting procedures to ASPSF to include the number and value of scholarships awarded, local support generated, success rate of recipients, publicity generated, etc, as may be reasonably requested;
- g. Adhering to the ASPSF requirements that assistance will be restricted to the economically disadvantaged parent with custodial care of children under the age of 18 who have not earned a previous degree from a four-year institution of higher learning (with the exception of 5<sup>th</sup> year Master of Arts in Teaching degree candidates); and
- h. Submitting to ASPSF the completed Affiliation Agreement Form and a copy of the county affiliates constitution and governing by-laws.

#### 2. **Sponsoring Organizations**

SPSF-PC will seek to establish and maintain cordial working relations with various local groups to include community action, civic, church, business, and other groups in order to subsidize local match requirements and to promote educational opportunity for the disadvantaged single parent.

#### 3. **Consistent Provision of Scholarships**

SPSF-PC will be consistent in the award of scholarships on a semester-by-semester basis. In order to meet the local match requirements of ASPSF, SPSF-PC will devise and implement fundraising procedures to support scholarship awards made at the beginning of the fall and spring semesters, and when possible, the summer semester as well.

#### 4. **Applicant Eligibility Guidelines and Selection Procedures**

SPSF-PC will appoint a Scholarship Interview and Selection Committee to review various county applications and make recommendations to the board as

# SAMPLE

## *Policies & Procedures Continued*

to the acceptance and/or revision of applications to better meet the needs of Prairie County single parents. This group will also devise a standard selection and ranking procedure to meet criteria determined by the SPSF-PC Board of Directors.

### **5. Matching Grants**

In accordance with requests that matching requests be submitted early in the calendar year, SPSF-PC will submit Matching Grant Request Forms no later than December 1 each year by the Chief Fiscal Officer. Local support documentation will also be submitted with each request.

In addition, SPSF-PC will endeavor to provide a substantial base funding at all times.

### **6. Accurate Fiscal Management and Reporting**

SPSF-PC will appoint a Fiscal Officer to record and maintain accurate records of all receipts and expenditures. Monthly balance sheets will be provided to the board members and to donors as requested. Further, the Fiscal Officer shall report on the number and value of scholarships awarded during the calendar year. In order to preserve the good name of the Single Parent Scholarship Fund of Prairie County, the Fiscal Officer will publish an accurate and efficient fiscal record for public review at the closing of each calendar year.

### **7. Affiliate Reports to ASPSF**

In accordance with the ASPSF reporting requirements, SPSF-PC will report scholarship awards for each semester in which scholarships are awarded.

In addition, SPSF-PC will make Follow-Up Reports on award recipients on an annual basis to include such pertinent information as retention, graduation, dropout and employment rates of said recipients at the end of each calendar year. SPSF-PC will also submit copies of Public Service Announcements, media articles, brochures, pamphlets, positive recipient comments, etc., for review by ASPSF.

### **8. Eligibility Criteria for Scholarship Recipients**

SPSF-PC will make scholarship awards only to those students who are single parents with custodial care of children under the age of 18 years, and who have not received a prior degree from a four year institution, and who meets other criteria as determined by the governing board of SPSF-PC.

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*Policies & Procedures Continued*

## **II. SCHOLARSHIP RECIPIENT PROCEDURES**

### **1. Minimum Criteria**

All applicants for scholarship assistance must be:

- a. Residents of Prairie County;
- b. Single parents with custodial care of children under the age of 18 years;
- c. Have income at or below the poverty level; and
- d. Enrolled in an undergraduate course of study (with the exception of candidates for the Master of Arts in Teaching Degree).

### **2. Screening/Interview Committee**

Applicants will be screened to ensure that he/she meets all requirements and determined by ASPSF and SPSF-PC by a committee selected by the governing board.

Screening will include:

- a. A completed application;
- b. Letters of recommendation;
- c. A current transcript of all completed courses; and
- d. A goal statement.

Upon completion of the screening process, the qualifying applicants will have a formal interview with members of the committee. The committee will follow an appropriate list of pre-selected, pertinent questions that are non-threatening and non-discriminating.

In such cases where the applicant may require additional academic assistance, such as tutoring, etc., the committee may recommend to the governing board that specific conditions be applied to the award of the scholarship and may exercise the right to withhold payment of the award until those conditions have been met.

### **3. Rating**

In those cases in which the number of applicants exceeds the number of available scholarships, a rating system will be used to determine the best recipients. Rating factors will include current financial profile, potential for successful achievement of the student's goals, and expenses to be covered by the award. Other factors to be considered are the number of children in the household, the practicality of the goals, and the past academic records.

Factors will be rated at a value of one to five with five being the best possible score. Each interviewer will rate the applicant individually. The average score will be the final rating.

# SAMPLE

*Policies & Procedures Continued*

## **4. Selection**

The SPSF-PC board reserves the right to offer half scholarships in the event that funding is available for all qualified applicants. In those cases in which a selection is required, applicants will be notified in writing within ten days of the last interview as to the status of the application. SPSF-PC will make all decisions before the end of the enrollment period of the semester to be covered by the award.

Applicants not selected for the current semester's consideration will be placed on a waiting list in the event funding becomes available. The waiting list, however, will be limited to the semester under consideration. Applicants wishing to be considered for assistance in the next award period must re-apply.

## **III. FISCAL MANAGEMENT**

### **1. Upon the determination of the fiscal year, SPSF-PC will:**

- a. Appoint a chief fiscal officer;
- b. Establish a non-profit checking account at a local bank;
- c. Determine the number of signatories for checks;
- d. Select an independent auditor;
- e. Begin maintenance of tax exempt non-profit status;
- f. Determine the Treasurer and his/her fiscal duties;
- g. Develop a working budget of all anticipated income and expenses; and
- h. Make the above information known to the governing board and when necessary, to donors.

### **2. In addition, SPSF-PC will appoint a Fundraising Committee** that will work closely with the Chief Fiscal Officer to coordinate budget planning and implementation of fundraising activities.

### **3. The SPSF-PC will further establish fiscal procedures** to include rules and regulations of petty cash, the handling of monies received, and the keeper of a cash receipts journal. Someone will reconcile bank statements other than that person designated to handle deposits and mail.

### **4. SPSF-PC will submit to an annual year-end audit** by an Auditor to be selected by the governing board. The final audit results will be made available to board members and donors upon request, but will be published in the White River Journal, Hazen Herald, and the DeValls Bluff Times for public review.

### **5. SPSF-PC will comply with all IRS regulations,** will apply for "public charity" tax-exempt status, and will register with the Arkansas Attorney General's Office in accordance with Act 1198.