



Scholarship & Grants **Policy 2001**

Policy 2001: Scholarship and Grants

- I. Standards for Awarding Academic Scholarships.** The standards required of the academic scholarship programs of private foundations are viewed as the best-practice standards for all organizations with academic scholarship programs. Although private foundations are subject to more extensive legal requirements than are public charities or social welfare organizations in regard to awarding and tracking academic scholarships, the following guidance reflects those standards.
- II. Compliance and Quality.** To facilitate IRS compliance, ensure accountability and transparency, protect the tax-exempt status, and ensure program quality, ASIS Foundation adopts the following procedures.
 - A. Use an objective and fair process. Scholarships and grants must be awarded on an objective and a nondiscriminatory basis.
 - B. Identify a charitable class. The group of eligible scholarship/grant recipients must be sufficiently large to constitute a charitable class. A charitable class refers to an indefinite group of potential beneficiaries as opposed to a small group of identifiable individuals. For ASIS the “charitable class” may be considered as individuals interested in the security and related professions.
 - C. State the purpose of the scholarship/grant. Scholarships and grants must be used for expenses directly tied to enrollment or toward completing a specified certificate or for a program that supports the mission and goals of the Foundation as approved by the Board of Trustees. The scholarship or grant must be used by an individual or ASIS Chapter.
 - D. Identify the selection criteria. Proper criteria for selecting recipients should be specifically stated as the determining factors for eligibility and must be made available to all applicants.
 1. These include, but are not limited to, prior academic performance, performance on tests to measure aptitude, recommendations from instructors, and may include financial need.
 2. Criteria may also include conclusions the selection committee might draw from interviews.
 - E. Use an impartial selection panel. Members of the selection panel (scholarship/grant committees) and their families should not benefit from the selection of a recipient, which would constitute a conflict of interest and thereby disqualify them from serving on that panel.



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1. Relatives of selection panel members should not be eligible for scholarships/grants or panel members should recuse themselves.
 2. Relatives of officers, directors, and major contributors should not be eligible for academic scholarships awarded by their organization unless the process is absolutely “blind.”
- F. Supervise the scholarship and identify reporting requirements. The Foundation must supervise the scholarships/grants it issues, establish the reporting criteria for the recipient, and notify applicants of these requirements in advance of the award, for example, proof of course completion or enrollment status verification.
- G. Identify optional award-reporting criteria. The Foundation or affiliate (ASIS Chapter) could also require recipients to write a brief report about how the scholarship/grant helped them achieve their academic goals or to attend an ASIS meeting to share their experience directly with the members. The Foundation (or awarding chapter) must include such requirements in the notice of award criteria.
- H. Provide oversight. If reports or other information provided indicate that the scholarship/grant is not being used for the purposes intended, the Foundation (or affiliate) should investigate why this occurred and, if applicable, withhold further payments until the situation is resolved.
- III. Records to Be Retained.** The Foundation must maintain the application documents in connection with their scholarship/grant programs so that they can demonstrate adherence to best practices if their program or status is challenged:
- A. Information used to evaluate the qualifications of potential recipients.
 - B. Information concerning the identification of recipients, including any relationships between the scholarship/grant recipient and the organization providing the scholarship/grant.
 - C. The amount and purpose of each scholarship/grant.
 - D. Reports concerning the recipient’s performance and use of funds (as noted above).

Date	Signatory	Action
02-21-18	J McDonald - Secretary	Initial Policy Approval