

## Fund Establishment Process

The Foundation supports and encourages individual and corporate contributions to our Scholarship, Award, Research and Public Education Programs. Our goal is to assist students in their academic endeavors, and recognize outstanding members for their contributions, fund member conducted research and provide resources through public education efforts. Corporations, association groups (dietetic practice groups or affiliates) or individuals may contribute to any existing fund or establish a new fund to honor a particular group or individual.

Funds may be established in the form of a scholarship, award (recognition honor, education stipend, lecture), fellowship or research grant

The following are required to establish a named fund at the Academy Foundation:

- *Temporarily restricted funds* are those funds that are not perpetual in duration and are intended to be totally expended for a specific purpose over some period of time. A temporarily restricted fund must be funded with at least \$25,000.
- *Endowment Funds (Permanently restricted)* are those funds where the principal may not be expended by the Academy Foundation. Only the income generated from the principal in the form of interest or investment income is available for release. The minimum to establish a named endowment or permanently restricted fund is \$50,000; and funds that fail to maintain this \$50,000 minimum balance during a reasonable period of time may be reclassified as a temporarily restricted fund in which both principal and available balances may be expended. If possible, the donor will be notified regarding this change in status.

The following sets forth the steps that must be followed to establish a named fund:

### 1. *Intent to establish a fund*

- The intent to establish a fund is communicated from the donor to the Academy Foundation.
- Academy Foundation Donor Agreement is shared with donor.

### 2. *Donor determines type of fund to be established*

- Scholarships – Scholarships provide support for individuals who are currently pursuing educational programs ranging from undergraduate programs, internships, didactic programs, and graduate and PhD programs.
- Awards - Award funds may take several different forms. The standard awards granted focus on individual achievement in a particular area of dietetics.
- Research Grants – Research grants provide funding to members or organizational units conducting research in priority areas for the Academy and Academy Foundation

### 3. *Fundraising (if fund minimum is already met by donor, process moves to step 4)*

- Donation form is developed and signed if minimum gift is not being made by one donor.
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- A temporary fund code is established by the Foundation.
- The group seeking to establish the fund has two years from the time the initial gift is received to raise the minimum amount. If the minimum amount is not met, all funds raised will revert to the Academy Foundation Annual Fund. This can be directed as part of the Tribute Program which is a vehicle for individuals to make a gift in honor or memory of someone.
- The Academy Foundation will, during the process, offer fundraising expertise, and assist in the development of fundraising strategies and solicitations. The Academy Foundation shall provide legitimate applicants access to selected databases (including mailing lists) in a manner that supports the development of funds in general and does not adversely affect the individual interests of contributors. All mailing and printing costs are assumed by the group seeking to raise funds.

#### ***4. Academy Foundation Donor Agreement***

- Once the minimum is raised, the person who initiated intent signs Academy Foundation Donor Agreement, which sets forth the terms of the fund.
- After being completed by the donor, the form is returned to the Academy Foundation.
- The criteria document is drafted by the Academy Foundation staff based on the donor's requests, and returned for the donor's approval.

#### ***5. Academy Foundation Board Approval***

- Once agreement has been reached on the criteria for the fund, the document is placed before the Academy Foundation Board members and a motion is made to approve the fund.

#### ***6. Fund added to Academy Foundation Portfolio***

- Upon approval of the criteria, the scholarship, award or research grant goes into circulation.
- Funds are released from a cash holding account to the named fund account and is invested according to the Academy Foundation Investment Policy.

#### ***7. Fund Financials***

- At the time of disbursement, each named fund is charged an administrative fee based upon the amount awarded. An annual fee is charged to each named fund based on the total balance of the fund (principal and available balance combined).
- For named funds, current administrative fees are 15% of the amount awarded at the time of disbursement, and an annual fee of .4%, based on the total balance of the fund. For gifts made to the General Scholarship, Research or Public Education Funds, fifteen percent (15%) is charged on the donation at the time the gift is received. Administrative fees are reviewed annually by the Board of Directors and subject to change and an annual fee of .4%, based on the total balance of the fund.
- Any interest earned is applied to the available balance and utilized for granting awards unless otherwise stipulated by the criteria document governing the award.

#### ***8. Fund Balance Mailings***

- Fund balance statements will be mailed annually to the individual listed on the criteria document to be notified, along with a copy of the criteria sheets and Academy Foundation financial reports. It is at this time that the donors should review the criteria sheet and submit any updates in contact names, addresses, etc, and send corrections and changes to the Academy Foundation Staff.
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## **9. Fundraising Costs**

- All costs incurred in the Academy Foundation's fundraising efforts shall be paid from funds raised. Such costs shall not exceed Academy Foundation's budget allocations or legal limits.

### ***Review Committees***

#### ***Academy Foundation Scholarships***

The Academy Foundation Scholarship Committee reviews all scholarship applications and is comprised of ten - fifteen Academy members appointed by the Academy Foundation Board Chair. Each committee member serves a 1-3 year term. A Chair is appointed each year from among the members who are serving their third year on the committee.

All scholarship applicants are computer-ranked, based on scholastic ability, professional potential and financial need. Prior to the Scholarship Committee selection call, Academy Foundation staff prepares a list of scholarships to be awarded, the number to be given, and amount to be awarded. Committee members refer to the scholarship criteria book for description of scholarships and their criteria. All applications are checked to confirm that they meet the criteria, at which time the committee determines the recipient of each award. During the call, the committee evaluates applicants' rankings and reviews criteria established for each fund before making any award designation.

#### ***Academy Foundation Awards and Research Grants***

A committee shall exist for each named award and research grants whose purpose and function shall be to review applications for Academy Foundation awards and research grants and determine recipients.

Whether an award, fellowship, research grant, or educational stipend, the process for determining the recipients of any of these awards is in many ways similar to the process used to determine the recipients of scholarships. Each award is assigned an individual review committee consisting of three members who have expertise or experience in the topic addressed by the award. The committees are appointed by the Academy Foundation Chair, and serve for 3 years, unless otherwise stipulated by the award criteria.

The applications for an award or research grant are reviewed by each member based on the criteria of the award. Each committee member assigns a score to each application, the scores are tabulated, and the recipient is determined.

#### ***Other Awards and Lectures***

The Academy Foundation will adhere to all fund criteria concerning other awards and lectures, including review process, whether the awarded is funded and managed through the Academy Foundation or managed by the Academy or another organization and funded by the Academy Foundation.

### **Award Notification**

Individuals who receive research grants, educational stipends, and fellowships are advised of their responsibilities concerning the use of their award monies. These may include reporting requirements, time limits, and/or monitoring of research or program progress.

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