Rhode Island Foundation

Scholarship Funds

Scholarship funds at the Rhode Island Foundation help students—our leaders of tomorrow—with the costs of education. They are a wonderful way to honor someone important to you. The gift of education that a scholarship fund creates is a permanent tribute to the person or organization for which it is named. With a designated scholarship fund, grants are paid each May to the school, college, or nonprofit organization that you designate. It is that institution's responsibility to determine who will receive the scholarship(s). Our role in managing a designated scholarship fund is to invest the fund's assets, to provide semi-annual statements to the donor on its financial status, and to ensure that the grant is used for the intended purpose.

What are the benefits?

Maximum tax deduction

By partnering with the Foundation, your gift will enjoy the most favorable tax treatment from the IRS—whether your gift is in cash, real estate, securities, a bequest or other planned gift. All gifts are acknowledged by the Foundation.

Flexibility

The Foundation manages a wide variety of scholarship funds, as diverse as our donors' interests—including scholarships in honor or in memory of loved ones and scholarships benefiting students who wish to study specific subject areas.

Recognition

Recognition of your legacy is always ensured (unless anonymity is preferred). Each fund is listed in the Foundation's annual report, and all grant checks to the institution and recipient bear the name of the specific scholarship fund.

Permanence

Unlike a one-time gift or memorial, a scholarship fund at the Rhode Island Foundation will benefit students and their community forever. In addition, future donors to the fund can count on the Foundation to ensure that the integrity of their gifts and purpose of the fund will be carried on forever.

Professional investment expertise

Because of our asset size, the Foundation is able to work with leading investment managers, at far less cost than a fund operating alone. Foundation assets are broadly diversified among many different asset classes, and are monitored by Prime Buchholz, a nationally recognized investment consultant.

One Union Station, Providence, RI 02903 (401) 274-4564 www.rifoundation.org

Spending rule

To ensure that the fund's value has every opportunity to grow and combat inflation while maintaining a steady income, the Foundation maintains an annual spending policy of 4.5% of the fund's average market value over the preceding 16 quarters, plus the annual Foundation support fee of 1%.

As the fund's market value increases, any earnings over the spending rate will be reinvested into the fund, providing the likelihood of increased scholarship grants over time.

Minimum contribution

$10,000. Subsequent gifts can be in any amount.

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How to establish

You determine the name of the fund. You also specify its purpose, which may simply be to benefit college-bound students from a particular high school, or may be more specifically based on your interests and goals. Please contact a member of our Development team at (401) 274-4564.