

“ESP... Excellent Scholarly Performance”
Alpha Kappa Alpha Educational Advancement Foundation, Inc.
Chapter Scholarship Endowment
Fact Sheet

Alpha Kappa Alpha Sorority, Inc. and Alpha Kappa Alpha Educational Advancement Foundation, Inc. are committed to ensuring that chapters and members have maximum opportunities to raise money for scholarships and community projects while operating within the regulations governing the respective organization’s IRS classification.

Chapters are encouraged to partner with EAF by establishing Scholarship Endowments in the chapter’s name.

Benefits:

- Eliminates the expense and recording-keeping associated with forming a not-for-profit foundation. EAF is a 501(c)(3) entity with a not-for-profit tax deductible status; chapters are 501 (c)(7);
- Increases EAF’s visibility and awareness throughout the Sorority and the communities served;
- Increases fund-raising opportunities and resources, due to the favorable tax treatment provided to 501(c)(3) organizations.

How it works:

Chapters raise money for scholarships and forward the funds to EAF for their chapter scholarship endowment. Donations may also be sent directly to the Foundation, designating the contribution in the chapter’s name.

When a chapter scholarship endowment reaches \$20,000, it is capitalized, and the chapter can award scholarships from interest and dividends accrued net the investment administrative fee.

The chapter sets the eligibility criteria, determines the selection process and committee, and selects the recipient(s) of its scholarship. The Chapter will request checks by submitting the selected recipients to EAF by the stablished deadline.

Eligibility:

Chapter Scholarship Endowments are only available to those chapters that have attained **Silver level** status or higher. [Requirement: ALL chapter members must be EAF members and the chapter must have contributed at least \$100-\$500 (based on chapter size) in addition to EAF membership dues].

Governance:

Chapter Scholarship Endowments will be regulated by a *Chapter Endowment Memorandum of Understanding* (MOU) entered into between the Sorority, EAF and the participating chapter, and a *Chapter Endowed Scholarship Fund Agreement* (Agreement) entered into between EAF and the participating chapter.