**Yakima Rotary Trust - Mollie Davis Scholarship Program Review Report**

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Scholarship Report

**Introduction**

The Yakima Rotary Trust (YRT) conducted a Scholarship Program Review of the Mollie Davis Scholarship Program in the first half of 2018. The process was inclusive with participation from YRT board members, area college representatives, two scholarship recipients (via interview) and a nationally-recognized scholarship expert that was recommended by the National Scholarship Providers Association (NSOA). The purpose of the inquiry was:

* To examine areas of success and areas for possible improvement.
* To affirm program and process alignment with mission and intention.
* To gain an expert opinion on the quality of the program and on effective scholarship philanthropy.

**Process**

The Program Review Committee Chairperson and the Consultant agreed to the following scope of work as part of the program review:

* Consultant and Chairperson conducted one initial meeting via conference call to learn and understand the history of the program, how the program works, operationally, and current context of what has transpired.
* Consultant provided the Chairperson with a list of requested documents and information, based on similar scholarship program reviews she has conducted.
* The Chairperson sent the requested documents, data summaries, existing policies and reports, to the consultant for review.
* The Consultant reviewed the materials and provided feedback and recommendations, via email and conference calls, on the documentation provided.
* The Consultant also offered guidance on the *tools* being used such as the application, judging rubric, weighting, etc.
* The Consultant offered guidance on decisions already made by the Program Review Committee.
* This report is the culmination of an unbiased review, assessment of alignment with good/best practices, and suggestions on how to make the scholarship program even better for students, while being cost effective.

**Key Findings**

*Strengths*

The Consultant was immediately impressed by the depth and breadth of documentation provided and the thoughtfulness and care given to operating the program. For every question posed a thorough answer was provided with evidence to support it. The consultant recognizes the following strengths of the scholarship program:

* **Fair and impartial scholarship selection process that mirrors the intent of the criteria.**
  + By using a third-party vendor, and the vendor’s expertise in scholarship scoring and judging, the YRT has implemented a “blind” review and screening process, to remove any potential elements of bias.
  + By adopting a new policy in congruence with federal inurement and benefit rules directed at 501 c (3) organizations, the YRT will further enhance the fair and impartial process.
  + By asking pertinent questions and requiring evidence that is judged by good, applicable rubrics, the YRT has a high level of quality and alignment between the criteria and how students are judged against those criteria. The consultant often has to work with scholarship programs to create this alignment, but this is clearly an existing asset of the scholarship program.
* **Thoughtful, reasonable combination of factors used in the application and review process.**
  + Moving to a mix of points comprised of 50% financial need, 25% academic success and 25% résumé, while allowing for special circumstances in the decision-making process, is a thoughtful and prudent mix.
  + This mix helps the YRT make awards to the intended type of beneficiaries.
* **Predictable, renewable awards at generous amounts**.   
  + A $7,500 annually renewable scholarship for 4-year institutions, combined with the the recent decision to increase the scholarship from $3,000 to $3,500 at 2-year institutions, is well above the national average scholarship amount (about $2,000, depending on the source of information and methodology).
  + These amounts cover nearly 80% of in-state tuition and fees, relieving much of the recipients’ financial burden to attend college.
  + Such generous predictable amounts are known to relieve stress in students and their families, especially those at the lower end of the economic spectrum who have little financial cushion.
  + Awards designed like this are considered a best practice because they often lead to steady matriculation, debt reduction and college completion.
  + YRT’s own data show a 94% year to year renewal rate which is evidence of matriculation.
  + Even for students who attend college outside of Washington, YRT operates a first-dollar scholarship program which prevents confusion and avoids financial-aid re-packaging compared to “last-dollar” scholarship awards.
* **Robust documentation that reflects the intended scholarship process, the size of the program, widespread marketing, and the capacity of YRT.**
  + There is ample evidence that YRT has a solid structure in place to operate a program of this size and scope. The consultant has experienced other scholarship providers that do not have this level of information in an organized format that is readily accessible.
  + The guiding documents, spreadsheets, reporting and other information are high-quality and professional and make sense. For example, the inclusion of verification and *signed educational records release* by the student is a best practice. The consultant often has to work with organizations on documentation improvement, but this is not the case with YRT.
  + The YRT has extensive marketing efforts, at a macro and grassroots level, which includes funding for scholarship promotion and training. Where possible, the committee will try to reach more male students. They are reaching stakeholders and information gatekeepers at various levels, which is considered a best practice.
* **Solid policies related to best practices and current trends in the scholarship and philanthropy community.**  
  + The award to applicant ratio of 1 to 10 is excellent for the community being served. The scholarship processing timeline (application, notification, disbursement) is in alignment with best practices in scholarship awarding and financial aid packaging.
  + The Chairperson’s and committee members’ commitment to monitoring the racial, ethnic, gender and geographic traits of applicants and recipients, and adjusting outreach accordingly, is a strength of the program.
  + The Chairperson and committee members conducted due diligence about *award deferment, award usage (allowable and unallowable) first dollar vs. last dollar strategy and award displacement*. It is the consultant’s expert opinion that their deliberations and decisions are meeting the needs of the program.
  + The Chairperson and committee members considered various program enhancements, including cost/benefit, capacity, potential staffing, and the degree to which outcomes would be measurable. This due diligence, in combination with the realization that many of the students will have access to mentoring, tutoring, career assistance, and other support *on their campuses* supports the decision to refrain from such enhancements at this time.

*Challenges*

The Consultant’s review of the program revealed few weaknesses or challenges compared to similar inquiries conducted with scholarship programs across the nation. The following challenges are minor and should be viewed in proportion to the volume of strengths and assets in the program. Possible challenges include:

* **Balancing what is “necessary” versus “nice” as it seeks continuous improvement.**
  + The committee has already invested significant time in increasing its understanding about scholarship awarding and financial aid, which is considered a best practice. They operate with a focus on strategic, effective philanthropy versus simple charity.
  + As the scholarship field continues to evolve, the organization needs to continue its judiciousness about changes, benefits and potential consequences based on its budget and capacity.
* **Managing the program within the current <4% Administrative Expense to Award ratio.**
  + Continuous program improvement may require an increase in the administrative budget.
  + Many scholarship providers struggle with the push and pull of wanting to disburse as much scholarship funding as possible while maintaining the infrastructure and expertise to manage their programs. The Consultant simply encourages the YRT to monitor and adjust the ratio in the future if program growth warrants it.

**Recommendations**

The Program Review Committee has already deliberated and made decisions about recommendations the Consultant shared during the review process **including those listed below.** This list of recommendations is for historical purposes:

* **Streamline or modify the application, although it is quite good as-is.** 
  + Remove requested or required information on the application that does not contribute substantially to the judging process such as class rank, national test scores, second essay, etc.
  + Add “first generation status” as a question on the application. Many scholarship providers find this helpful in knowing if their students will be the first in their families to attend college.
  + Ask the vendor how changing the application may *increase the ratio of students who complete the application once they start.*
* **Continue self-monitoring and adjustments as needed based on changing demographics, trends in financial aid, the committee’s curiosity, etc.**
  + While the committee already subscribes to the National Student Clearinghouse database, the Consultant recommends measuring graduation six years after scholarship disbursement. This will help prove the impact of the scholarship program as it pertains to degree completion.
  + Continue to stay abreast of issues that affect the program and its intended beneficiaries, while honoring the committee’s capacity as volunteers. Issues such as award displacement, student privacy, records retention, etc. will persist in the field and maintaining membership in NSPA will continue to be beneficial to the program.
* **Conduct a communications and core messaging review**.  
  + The board approved the name change to Mollie Davis in 2017 but agreed to wait on implementing the name change and other branding efforts (website update, mobile friendly) until after the 2018 award cycle. Changes are planned for Summer 2018. Ensure that throughout the process, the name and award usage terms (tuition, fees and books) are used consistently in *all documentation and across all platforms* as YRT prepares for the next scholarship season.

**Conclusion**

The Mollie Davis Scholarship Program is a high-functioning, high-quality and high-impact program. The program infrastructure, documentation and processes are very robust. The current scope is reasonable for a volunteer-driven effort with part-time staff to administer the program, however the YRT may want to consider a slight increase in the administrative budget.

The enthusiasm, collaborative spirit and commitment to continuous improvement exhibited by the committee, combined with due diligence and evidence, are hallmarks of effective philanthropy and being a “learning organization.” None of the challenges or recommendations cited by the Consultant are of major concern and are well within the capacity of the organization.

In terms of mission and impact, the program is very generous in meeting the needs of students as they enroll in and matriculate through college. The Consultant knows from her own primary research and other secondary research that scholarship programs structured like the Mollie Davis Scholarship Program positively influence student success. This program most likely affects students in the following ways:

* Creates more choice in the students’ college selection
* Helps students reduce or avoid student loan debt
* Relieves student and family stress based on the predictability, generosity and renewability of the award
* Boosts confidence in scholarship recipients
* Increases recipients’ likelihood of degree completion

**Overall, this is an outstanding program that not only serves the individual recipients well, but the broader Yakima community, by investing in its young people.**

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