

# **Alliance High School Endowment Fund**

## **Academic Scholarship Fund Financial Policy**

### **Investment Policy**

Donor gifts will be invested in a low-cost index fund. The current fund of choice is the Vanguard Conservative Growth Fund (VSCGX). The account is set up to reinvest dividends and capital gains. The Vanguard account information and latest balance statement are available on the AHSEF website at <http://www.ahsef.org>. Quarterly balance statements will also be made available on the website.

### **Withdrawal Policy**

AHSEF will annually distribute 4% of the fund's average market value over the previous 12 quarters. The 4% withdrawal rate is currently considered a safe withdrawal rate. The rolling average market value over the previous 12 quarters is used in order to reduce the impact of variations in donor gift giving levels and market volatility on the fund's market value.

### **AHSEF Giving Policy**

The objective of AHSEF is to encourage long-term academic excellence at Alliance High School. The current giving policy is to distribute the withdrawal to a merit-based scholarship using a transparent and deterministic formula and regardless of financial need. If in the future the goals of the merit-based scholarship are met, scholarships that take financial need into account will be awarded.

### **Directed Gifts Policy**

In addition to the AHSEF Giving Policy and focus on awarding merit-based scholarships, in the event that an individual gift larger than US \$15,000 is donated to award scholarships in a directed manner, the fund shall strive to accommodate the wishes of the donor of the gift.

### **Giving to AHSEF**

U.S. citizens' gifts to AHSEF are tax deductible since AHSEF is a 501(c)(3) tax-exempt organization. Please use one of the options below and, where applicable, indicate that your gift is designated for the Academic Scholarship Fund.

#### **Option 1: Donate Online (PayPal)**

Donate securely online via PayPal at: <https://www.ahsef.org/donate>

Note: PayPal transaction fees may apply.

#### **Option 2: Donate by ACH / Direct Deposit or Wire Transfer (JP Morgan Chase)**

Bank: JP Morgan Chase Bank

Account Name: Alliance High School Endowment Fund

Account Number: 736322069

Routing Number (ACH / Direct Deposit): 071000013

Routing Number (Wire Transfers): 021000021

Important: The ACH routing number (071000013) can only be used for direct deposits and ACH transactions. For wire transfers, please use routing number 021000021.

Reference/Memo: Academic Scholarship Fund

### Option 3: Donate by Check

Checks can be sent directly to:

Alliance High School Endowment Fund #736322069

JP Morgan Chase Bank

1840 N Milwaukee Ave, 01

Vernon Hills, Illinois 60061

Memo line: Academic Scholarship Fund

### Option 4: Donate Directly to Vanguard (Academic Scholarship Fund)

Gifts can be sent directly to the Vanguard account at:

Vanguard

455 Devon Park Drive

Wayne, PA 19087-1815

Gifts should be made payable to: AHSEF, Fund #724, Account #41691384 (Academic Scholarship Fund)

### Merit Based Scholarship Formula

The AHSEF withdrawal will be distributed annually at the end of the school academic year using a merit-based deterministic and transparent formula that incentivizes long-term academic excellence. Assuming the annual cost of attending AHS is X (currently \$800), and that students in each form are ranked using the most comprehensive annual Continuous Assessment Test (CAT) or equivalent and regardless of financial situation, the fund's annual withdrawal will be distributed in the order and proportions listed below until it is exhausted.

Order	Student	Amount
1	First form 1 student	X
2	First form 2 student	X
3	First form 3 student	X
4	Second form 1 student	$\frac{2}{3} X$
5	Second form 2 student	$\frac{2}{3} X$
6	Second form 3 student	$\frac{2}{3} X$
7	Third form 1 student	$\frac{1}{3} X$
8	Third form 2 student	$\frac{1}{3} X$
9	Third form 3 student	$\frac{1}{3} X$

**More Information:** Questions about giving, designations, or payroll setup:

Jacob Sitati, Treasurer (Grieve House, Class of 1995)

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www.ahsef.org