



Building a Legacy for Future Generations

CREATING A SCHOLARSHIP FUND AT HUMAA



Howard University Medical Alumni Association (HUMAA)

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OVERVIEW

Due to the generosity of alumni and friends, HUMAA has provided over \$600,000 in financial assistance to the students at the Howard University College of Medicine (HUCM).

HUMAA gave its first scholarship to a HUCM student of \$550 during the 1957-58 academic year. Despite this, talented and deserving students are admitted every year who are unable to enroll or struggle to maintain their financial commitments because of the high cost of attendance, fees, and living expenses. Tuition for the current academic year is \$45,254, but when living expenses (room, board, insurance) are added to the equation, the cost of attendance is approximately \$74,437 a year.

94.8% of Howard's medical students receive some form of financial aid. Yet, too many Howard medical students graduate with nearly \$200,000 in education-related debt (exclusive of whatever debt they might have carried over from their undergraduate training). While cost is not always the deciding factor, it is a frequently cited obstacle.

This is an especially acute issue when it comes to African-American students' enrollment in medical school. Overall, the proportion of medical students who identified as African-American or Black rose from 5.6 percent in 1980 to 7.7 percent in 2016, according to the Association of American Medical Colleges. That is a substantial increase but still short of the 13.2 percent in the general population.

Providing additional student support is HUMAA's number one fundraising priority. Investing in student support makes it possible to attract the best and the brightest. Investing in tomorrow's physicians will improve the health and well-being of people all over the world. By giving the gift of a scholarship, whether it is creating a new opportunity or helping to maintain an existing one, your generosity enables HUMAA to provide a significant level of support for all of our students. Donors who endow scholarships make an enduring difference in the lives of students.

How much does it cost to endow a scholarship? HUMAA requires a minimum of \$40,000 to establish an endowed scholarship fund. This can be paid over a maximum of five years.

Are there other types of scholarships that I can give to students? Yes - you can also give a 'current use' scholarship, whereby you provide the funds for a scholarship to HUMAA either on an annual basis or a one-time basis. We will then give the funds to a student during the HUMAA Scholarship Ceremony in March of every year. The minimum for this type of scholarship is \$500.

Does HUMAA accept scholarship funding through corporate or foundation gifts? Yes – please let us know when making these types of gifts so that we can thank you appropriately.

How much does an endowed scholarship payout to a student? This depends on several factors, including the original endowment amount and the donor's preferences. In the past, a \$40,000 endowed scholarship has provided a \$1,000 annual payout to students. This can be amended to the amount of the funds generated in any particular year, however, depending on the annual rate of return from the investment.

Can I set the criteria for the scholarship recipient? HUMAA will work with you to ensure that the donor's preferences are reflected in the scholarship recipient criteria. Examples of such criteria include the year in school, class ranking, gender, level of financial need, ethnicity, anticipated specialty, place of birth, etc. It is essential that we use "preference" language, as opposed to "requirement" language so as not to run afoul of anti-discrimination laws, and that we never run into a situation where the scholarship goes un-awarded due to overly restrictive award criterion. Please see scholarship examples on our website located here:
<https://www.humaa.com/scholarships/scholarships.html>

How would I fund the scholarship? HUMAA accepts gifts via check, money order, credit/debit cards, sale of stock, property, or transfers from investment vehicles such as IRAs. All gifts to HUMAA are tax-deductible, and you will receive a tax receipt letter from HUMAA upon receipt of your gift. Should you wish to contribute funds from an IRA, it is possible the income recognized by funds withdrawn from an IRA would be entirely or almost entirely offset by a charitable deduction of the full amount you donate – resulting in no additional tax, or minimal additional tax.

How would I get recognized if I gave a scholarship? By establishing a scholarship, HUMAA will provide you with an individual thank you letter from the student, a personal statement describing their background, and an annual report on your fund, detailing the return on investment over time, etc. In addition, you will receive an invitation and special recognition at the annual HUMAA Scholarship Ceremony, donor acknowledgment in HUMAA's newsletter and website, and exclusive invitations to HUMAA-related events.

I am ready to establish a scholarship. What should I do? Please send an email to Simone Joye Eford, Executive Director at director@humaa.org with the following information:

- 1) The date you would like to establish the scholarship.**
- 2) The name of your scholarship fund.**
- 3) The criteria for the student(s) you would like to benefit from your scholarship.***
- 4) The amount of the scholarship fund. (Endowed or current-use)**

Upon receipt, we will send you a Scholarship Agreement for your review and execution.

Please do not hesitate if you have any questions. We sincerely thank you!