

Sheridan County Community Foundation
Creating a Legacy Through Endowed Scholarships

Understanding Endowed Scholarship Funding: A Look at the Math

When you establish an **endowed scholarship fund** with the Sheridan County Community Foundation, you're creating a permanent resource that supports students every year—**forever**. These funds are carefully invested, and each year, a portion of the earnings is distributed as scholarships while the original principal continues to grow and generate support.

How Spending Works

The Sheridan County Community Foundation's current spending policy allows for 5% of a fund's net assets, calculated as an average over the past three years, to be distributed annually. This approach helps smooth out market fluctuations and ensures the long-term sustainability of the fund.

In simpler terms, you can estimate that about 5% of the total fund amount will be available to award as a scholarship(s) each year.

Example Scenarios

Here's a quick look at how different fund sizes translate into annual scholarship awards:

Annual Scholarship Award	Estimated Fund Principal Needed
\$500	\$10,000
\$1000	\$20,000
\$1,500	\$30,000
\$2,000	\$40,000

These figures are based on a straightforward 5% calculation. For example:

- To award \$1,000 per year, you'd need a fund of approximately \$20,000.

Why Endow a Scholarship?

Creating an endowed scholarship fund means:

- **Perpetual support** for students in your name or in honor of a loved one
- **Professional investment management** through the Foundation
- **Reduced administrative work**—we handle the logistics for you
- **Sustained impact**—ensuring your generosity continues for generations

Whether you already fund a scholarship or are exploring the idea for the first time, we'd love to help you make a lasting difference for Sheridan County graduates.

If you'd like to discuss your options further, please don't hesitate to reach out. We're here to help bring your vision to life.