

ATTRACTING DIVERSITY

3 Ways to Use Scholarships to Create Kid's Program Equality

How well do your programs reflect cultural equality? With today's focus on diversity, every kid's activity organization should be thinking about how to erase inequities in their little corner of the world. Data shows that there is a significant gap in minority children's participation in camps and other activities and that household income is a direct correlation to this gap.

That's no surprise, but while the statistics can be disheartening, they can also be educational and catalyzing, as we learned from our 2017 Parent and Director Diversity survey. Shaping the demographic make-up of your participant base for the long haul is possible. Our survey results whitepaper, **Shaping Diversity in Kid's Activity Programs**, can help you invest your efforts in effective ways. In the meantime, scholarships can be a quick start to diversifying your program's demographic. The steps you'll take in developing your scholarship program will also be useful in your long strategy.

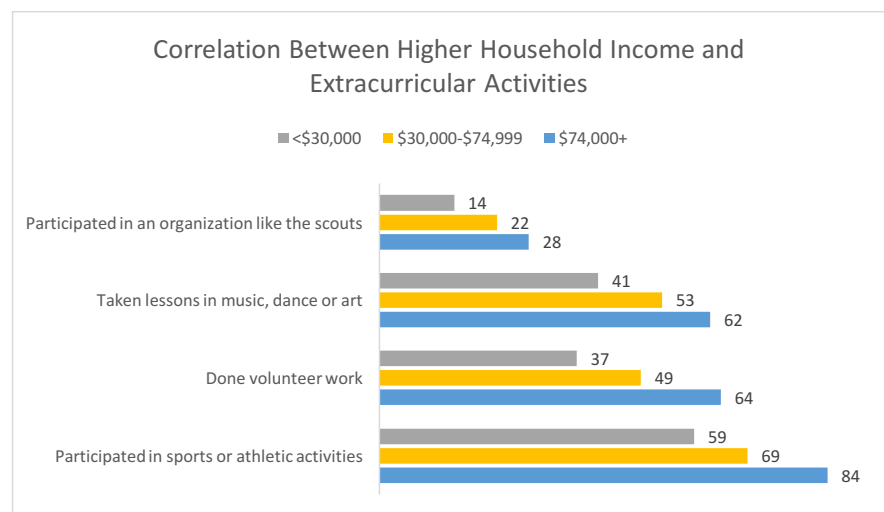
The State of Scholarships

Our survey results indicate that 79% of responding kid's activity directors offer scholarships, yet only 21% of 1,510 parent respondents stated that they had applied for scholarships. This remainder includes:

- + Respondents who do not want their children to be involved in activities.
- + Respondents who would not qualify due to income level.
- + Respondents from lower-income families who may be less likely to even consider camps and other activities due to cost. They may also

be unaware or uncomfortable asking about scholarships, or convinced that their probability of an award is too low to justify the application effort.

Examining your current scholarship recipient demographics is a great place to start. Does your award list contain an equitable division of genders, ethnicities, disabled vs. able-bodied – at least in percentages that represent trending U.S. demographics?



Source: Pew Research

3 Ways to Take Action with Scholarships

If you discover that your awards have been under-serving certain segments, such as disabled, single-parent homes, and certain genders or ethnicities, in percentages that don't reflect your community or regional demographics, take action with one of these options.

1. Change diversity criteria within existing scholarships

Start small by setting new internal scholarship criteria that a certain number of existing awards must go to minorities or other categories of diversity.

This decision will require you to broaden your scholarship marketing scope to platforms that attract the attention of the under-served categories. You may need to be more intentional about seeking out potential recipients. Contact schools, churches, and other community organizations who have the same goals to learn of donor opportunities. Learn more about diversity criteria in scholarships in the next section.

2. Create a Diversity/Minority Scholarship

Diversity awareness is higher than ever, and donors may be more generous in supporting a strategic minority fundraising campaign. Broaden or target your donor requests to organizations, churches and schools that serve high levels of minorities, and make connections with other organizations seeking diversity for minority and disabled kids. They may be able to guide you to finding support for your scholarship fund.

What you should know about minority scholarships:

- + **Nature of Scholarships**
Scholarships do not have to be publicized, open to the public or awarded lottery-style. It is acceptable to use scholarship funds to promote a specific camp, honor members of a certain group or send a certain type of child to camp, including children of single parents, children with certain disabilities, or children of members of a certain club or church.
- + **Scholarship Gifts**
If the scholarship is limited to a defined group, you or the donating organization may grant the scholarship to the recipient, based on known need or other criteria deemed suitable, as a gift, with no application required.
- + **Amount of Scholarship**
While you may choose to award full or partial tuition, recognize that needs-based recipients may not be able to take advantage of an award that doesn't cover the full cost of the program and incidentals such as transportation, deposits, and store cash.

- + **Determining Eligibility**
If your scholarship is needs-based, eligibility can be determined through consulting the Gross Income scale* or other criteria such as Tax Returns, Foster care number, Medicare/Medicaid-approved, Free Lunch-approved, or stipulations of your choice.

- + **Legalities**
Depending on the complexity of the scholarship and the amount of money involved, professional assistance may be required or desired to make sure endowments are compliant with State and Federal and IRS guidelines (or, in Canada, Income Tax Act and Canada Revenue Agency).*

The following types of organizations can assist you:

- + Banks
 - + Attorneys
 - + Financial Advisors
- * Be aware that camp personnel may, by law, be restricted from contributing to or benefitting from scholarship funds.

3. Using All Your Scholarship funds

Our survey results indicate that nearly one-third (29%) of respondents' scholarship funds are not used annually. Unclaimed scholarship funds may result from:

- + Insufficient applicants
- + Awards in which full scholarship recipients are unable to pay for incidentals
- + Awards in which partial scholarship recipients are unable to pay for incidentals
- + Last-minute scholarship rejection with no time margin for replacing with backup recipients

79%

kid's activity directors surveyed who offer scholarships

21%

parents surveyed who have applied for kid's activity scholarships

Options for exhausting scholarship funds

Unclaimed scholarship funds may not go far – even to covering one participant. These amounts are often simply carried forward to the next year, but there are ways to use those remainders:

- + Partial scholarships can be one way to use these funds, but that may not help needs-based recipients who can't afford the tuition balance or camp incidentals, such as transportation, t-shirts and other gear, deposits and camp cash, as mentioned above.
- + Consider distributing leftover funds among existing scholarship recipients or (even registered participants) to provide cash for incidentals and extra expenses to those you know may benefit. These funds can easily be applied through registration software that uses logic as parents register, allowing conditional discounts and promotions of your choice. Or, you can simply gift these participants with scholarship funds as you see fit.
- + Explore ways to partner with other organizations to combine unclaimed scholarship funds to send kids to one or the other's programs. Donor requests should state the partnering organizations and percentage of funds that may be used in discretionary ways like this.

Note that without a required deposit, some scholarship recipients may not show up due to the lack of investment they've made. Some organizations require a refundable deposit (returned upon check-in), but this requirement can have the effect of eliminating recipients.

Waitlisting scholarship recipients

- + Set deadlines for scholarship acceptance that allow you time to notify waitlisted recipients.
- + To minimize the possibility of last minute cancellations, communicate in the weeks leading up to session start to ensure any issues about attendance/expenses are being addressed in a timely manner.

Depending on your location or the cost of your program and the associated supplies required, scholarships may be the only way to get some lower socio-economic attendees in your door.

Increasing diversity in your program through scholarships will require intentionality and additional focus on finding and onboarding those participants, but equalizing opportunities for underserved communities seems a perfect fit for those whose passion is serving children.

| October 1, 2016 through September 30, 2017* | | |
|---|----------------------|--------------------|
| Household size | Gross monthly income | Net monthly income |
| 1 | \$1,287 | \$990 |
| 2 | \$1,736 | \$1,335 |
| 3 | \$2,914 | \$1,680 |
| 4 | \$2,633 | \$2,025 |
| 5 | \$3,081 | \$2,370 |
| 6 | \$3,530 | \$2,715 |
| 7 | \$3,980 | \$3,061 |
| 8 | \$4,430 | \$3,408 |
| Each additional member | +451 | +347 |

Source: USDA

Speak with a specialist and learn how to offer scholarships with ACTIVE'S Camp & Class Manager software.

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