



THE CORELLA & BERTRAM F.
BONNER FOUNDATION

Berea College's Bonner Scholar Program Guide to Financial Reporting

January, 2023

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I. Introduction

Welcome to the Bonner Foundation BSP fiscal and program reporting guide. This guide is designed to provide a clear overview of the reporting requirements and deadlines for the Bonner Scholars Program. While the Bonner Foundation staff will send occasional reminders about overdue reports, we are hopeful that this guide will make it easier for you to create your own internal reminder process.

II. Background

The program recruits and supports high financial need students who are committed to making the world a better, more just place. These students, 40 to 100 per campus, continue to engage in 225 to 280 hours of service each school year and at least two summers of full-time service. Financial support from the Bonner Scholarship (and incredible personal support from Bonner Program staff, other administrators, supportive faculty, and committed community partners) make this possible. Our motto “Access to Education, Opportunity to Serve” has defined the program and the Foundation’s partnership with each school from the beginning.

This basic Bonner Scholars Program design hasn’t changed in the 30+ years since it began at Berea College in Fall 1990. But there has been an evolution over the years in the how and what the Bonner Scholarship supports, and the related financial and reporting requirements that reflect those changes.

Initially, every semester each school received grant checks directly from the Bonner Foundation to support the Bonner Scholars Program. To document this funding, we used printed Registrars Lists and Allocation Reports that were mailed back and forth between the Foundation and the Bonner Program staff at participating schools. This process was sped up a little when the email arrived, allowing us to email Excel spreadsheets with the same information. Once the internet was fully in place, we developed the Bonner Web-Based Reporting System (BWBRs) to make this an even smoother, more efficient process.

The awarding of Bonner Scholar Program Endowments did not alter this approval process. The only change was in the language of the grant award letters from the Bonner Foundation which now approve “withdrawals from the Bonner Scholars Program Endowments” in place of the former “enclosed please find a check for...” phrase.

What has changed substantially are the ways the Bonner Scholar Program Endowment funds are used to support both the Bonner Scholars Program and the campus as a whole. Underlying all these changes was the understanding that the “*Access to Education*” commitment was being met by the participating schools while Bonner Endowment funding was supporting and increasing the “*Opportunity to Serve*” by Bonner Scholars and other students.

This philosophy explains each of these major changes in funding and reporting that have occurred:

- Increases in the average **annual Bonner Scholarship Award** were made to support emerging best practices or to respond to cost of living expenses over the years. (See the Appendix for a chart showing the changes in the annual Bonner Scholarship allocation.) Each of these changes have targeted to provide additional support for Bonner community service activities. These include funding for: 1) First Year Service Trip, 2) Local Summer Service, 3) Sophomore Exchange, 4) Rising Senior Fund, and 5) Bonner Congress Meeting Travel Reimbursement
- The **Special Projects Fund** reallocates budgeted but unused Bonner Scholarship Funds from the prior year to support Bonner and campus-wide community engagement initiatives.
- Finally, amendments to the Bonner Scholar Program Endowment created an endowment spending formula through which schools could allocate 5% of the annual drawdown to create an **Endowment Enrichment Fund** (to further support campus-wide community engagement activities) and a **Supplemental Financial Aid Fund** (to help the institution meet the financial aid packaging requirements for Bonner Scholars).

The Bonner Scholar Program Endowments were made to make funding for the program permanent. These were matching endowment awards. The earlier endowment awards were made in 1993 and the most recent in 2012. The original endowment value was calculated to provide the funding needed to provide the annual Bonner Scholars Program budget (maximum number of Bonner Scholars x average annual Bonner Scholarship allocation at the time of the award). Below is a chart showing the current annual average Bonner Scholar Award is \$3,150 (effective Summer 2022) and the allocation categories (see Per Student Allocation Chart on next page).

The process approving access to each of these funding categories, and other program requirements, are found in the Bonner Scholar Program Rules. These BSP Rules are a component of the Bonner Scholar Program Endowment Agreements. They are updated only occasionally, most recently to increase the annual Bonner Scholarship Award (shown above) and to increase the Estimated Family Contribution (EFC) caps used to select incoming Bonner Scholars.

As the Bonner Scholar Program Endowments market value grew beyond what was needed to fund the annual Bonner Scholars Program budget, the Endowment Agreements were modified to create a spending rate policy and allocation formula that allowed schools to fund both campus-wide community engagement activities as well as provide additional financial aid support for Bonner Scholars. The spending rate policy is based on a three-year rolling average, using March 31 market values for the Bonner Scholar Program Endowment. The allocation formula was determined by the percentage of the original Bonner Scholar Program Endowment awarded by the Bonner Foundation and matched by the school (see details in the next section).

Note: for administrative ease, a later amendment to the Endowment Agreement allows schools to utilize their institutional endowment spending policy, provided the annual allocation does not differ too significantly from the three-year rolling average policy.

Berea Bonner Scholarship – Per Student Allocation 2022

| Category | 1st Year | 2nd Year | 3rd Year | 4th Year | 4 YEAR TOTAL |
|--------------------------------|----------------|----------------|----------|----------|-----------------|
| School Year Award | \$500 | \$500 | \$500 | \$500 | \$2,000 |
| Summer Living Stipend | \$3,000 | \$3,000 | | | \$6,000 |
| Summer Earnings Stipend | \$1,500 | \$1,500 | | | \$3,000 |
| Sophomore Exchange | | \$50 | | | \$50 |
| Community Fund | \$100 | \$100 | \$100 | \$100 | \$400 |
| Rising Senior Fund * | | | | \$500 | \$500 |
| 1st Year Service Trip * | \$250 | | | | \$250 |
| Local Summer Service * | \$75 | \$75 | \$75 | \$75 | \$300 |
| Bonner Congress Travel * | \$25 | \$25 | \$25 | \$25 | \$100 |
| Administrative Support | | | | | \$0 |
| FOUR YEAR TOTAL | | | | | \$12,600 |
| AVERAGE PER YEAR | | | | | \$3,150 |

* Proposals must be submitted to the Bonner Foundation for approval.

CHANGES

- **Summer Earnings & Summer Living Stipend** increased by \$2,000 to \$4,500 for each of two summers, bringing their summer hourly wage to a minimum of \$16.07.
- Note: **Berea College** total annual allocation includes an additional \$1,000 administrative fund awarded in the Fall semester allocation report.

III. Semester Bonner Scholarship Funding & Reporting

The Bonner Foundation set up an online reporting system, the Bonner Web-Based Reporting System (BWBRs), to track enrollment and semester allocations and reimbursements. Bonner Program staff on campus are required to maintain and submit this information each semester.

A. Change of Status

Change of Status forms are completed in BWBRs for any student who: (1) withdraws, (2) goes on or returns from leave, (3) enters into a semester abroad or exchange program and is

not completing his/her service requirement, or (4) replaces another student (see BSP Rules [5.2](#)).

B. Replacement / Late Entry

First- and second-year Bonner Scholars who withdraw from the program for any reason should be replaced, based on criteria found in the Bonner Scholar Program Rules.

A Change of Status Form for every replacement Bonner Scholar is submitted and approved by the Foundation prior to the student being sent an acceptance letter by the program (see [BSP Rules 1.4](#)).

C. New Freshmen List

Each year the list of prospective incoming Bonner Scholars that you would like to accept into your program are submitted and approved by the Foundation in BWBRS before these students are notified of their acceptance into the program (see BSP Rules [5.2.1](#)). The Bonner Foundation is only ensuring that the incoming group of students meet the EFC caps and gender and diversity goals.

D. Registrars List

Just after the start of each semester the list of active and enrolled Bonner Scholars is submitted in the BWBRS semester's Registrars List for approval by the Bonner Foundation (see BSP Rules [5.2.2](#)).

E. Allocation Report

Semester and summer allocation approval letters along with the Email Allocation Chart are emailed by the Foundation after we receive and approve registrar's list. These letters approve allocation of the approved amount from the Bonner Scholar Program Endowment held by each school. These allocations are part of the annual Bonner Scholars Program budget.

F. Reimbursement Report

Reimbursement Reports are submitted in BWBRS for Bonner Foundation approval at the end of each semester and summer. The steps for completing the Reimbursement Reports are as follows:

- At the end of the semester, the director or coordinator uses BWBRS to create a Reimbursement Report where they indicate the actual expenditure for each student for each category (column above).
- The completed Reimbursement Report should be submitted to the Foundation via BWBRS (see form above).

- If there are funds to be reimbursed, the Foundation will send a formal letter to the president requesting the return of “unexpended” Bonner Scholarship funds to either the Foundation or the Bonner Endowment. (See BSP Rules [5.3.2](#))

IV. Bonner Scholarship Funds Requiring Proposals

The following funding categories require a brief proposal letter and budget to be approved by the Bonner Foundation.

A. First Year Service Trip

All Bonner Scholars are required to participate in a service trip organized by the Bonner Program staff during their first year in the program. These events can be organized each year either during winter, spring, or summer breaks.

Up to \$250 per first-year Bonner Scholar is available to cover expenses related to meeting the required first-year service trip. An additional \$250 is available for each of two people (students or staff members) who attend in a supervisory capacity.

The Bonner Foundation reviews First Year Service Trip proposals and emails an approval letter for allocation of these funds.

B. Local Summer Service Fund

The Local Summer Service Fund provides additional summer living or summer earnings for Bonner Scholars who stay in their local campus community to serve.

The maximum amount available for each campus each summer is determined by the number of enrolled Bonner Scholars based on a calculation of \$75 per student per year. For example, a school with 60 Bonner Scholars would be eligible for an additional \$4,500 ($\75×60) to help establish and support these summer service opportunities.

These funds may be used to provide additional summer living or summer earnings to the participating students and/or to cover administrative costs associated with running the summer program.

The Bonner Foundation reviews Local Summer Service proposals and emails an approval letter for allocation of these funds.

C. Rising Senior Fund

The Bonner Scholars program offers an additional \$500 in funding for rising senior Bonner Scholars to support their service-related endeavors. These funds can be used for summer service activities before their senior year, service projects during their senior year, or

expenses related to applying for graduate school or a job in the non-profit or public sector. Eligible expenses include conference attendance, travel for interviews, graduate school entrance exams, and application fees.

Bonner Scholars submit their proposals (written responses to three questions) to their Bonner Program director or coordinator for review. These short proposals are then submitted and approved by the Bonner Foundation.

The approved Rising Senior Funds are allocated in the BWBRS Allocation or Reimbursement Reports for the semester when the funds were award to the students.

V. Special Projects Fund

At the end of each academic year, the Foundation calculates the amount of unexpended annual Bonner Scholar Program budget for that year. These funds are then available as the **Special Projects Funds** for the following year.

The attached chart shows the balance of funds from the 2021-22 academic year in the following categories that make up this calculation are: the School Year Award, Rising Senior Funds, Local Summer Service Fund, and First Year Service Trip.

| | | | | | |
|----------------------------------------------------------|---------------|---------------|-----------------|----|-------------------|
| School | Berea College | | | | |
| Academic Year | 2021-22 | | | | |
| Bonnors Per Class | 15 | | | | |
| Max Bonner Enrollment | 60 | | | | |
| | Budget | Actual | Balance | | |
| Local Summer Service (@ \$75/student) | \$4,500 | \$0 | \$4,500 | | |
| Rising Senior Fund (@ \$500 per senior) | \$7,500 | \$5,500 | \$2,000 | | |
| First Year Trip (@ \$250 per freshmen) | \$4,250 | \$0 | \$4,250 | | |
| Congress Travel (@ \$250 per member/trip) | \$1,000 | \$0 | \$1,000 | | |
| Fall Allocation (@ \$500 per student) | \$30,000 | \$28,500 | \$1,500 | 57 | Enrolled (active) |
| Spring Allocation (@ \$500 per student) | \$30,000 | \$23,500 | \$6,500 | 47 | Enrolled (active) |
| Total Available for 2020-21 Jr/Sr Enrichment Fund | | | \$19,750 | | |

Once we have the prior Fall, Spring and Summer Reimbursement Reports, the Bonner Foundation calculates the amount of unused funds for that year (generally mid-September). This chart is then shared with the Bonner Program staff. To access these unused funds, schools submit a proposal to the Bonner Foundation for approval. We recommend that Bonner Program staff discuss the proposed Special Projects budget with the Bonner Foundation prior to submitting the

final proposal. We ask that that proposal be submitted no later than February 15 each year. And we also ask for a Year-End Special Projects Fiscal Report (budget vs actual) be submitted by July 30.

Special Projects funding can support a wide range of community-engagement activities, including:

- *Bonner Program initiatives:* These may include capstone-level service projects and other student-led initiatives to strengthen the program if there is not sufficient funding in your Bonner Community Fund.
- *Community-Engaged Learning initiatives:* These may include faculty training and course development mini-grants, infrastructure such as course designators or tracking systems, institutional policy change, student training and course or project expenses.
- *Service trips:* These may include junior or senior class service trips with an emphasis on international perspective and/or social justice.
- *Internships and leadership activities* with national Bonner Partner organizations or other national or international organizations you may propose.

VI. Bonner Scholar Program Endowment Reporting & Funding

There are three annual Bonner Scholar Program Endowment reports due each year.

A. March 31st BSP Endowment Market Value

The Bonner Scholar Program Endowment requires schools to report the March 31st market value each year. We ask that this figure be reported no later than May 15th each year via an email to the Bonner Foundation President Robert Hackett (rhackett@bonner.org) and Operations & Special Projects Coordinator Clifton Davis (cdavis@bonner.org). The Bonner Foundation uses this figure to calculate the Annual Bonner Scholar Endowment Access Chart (see below).

B. Annual Bonner Scholar Program Endowment Access

Once the Bonner Foundation has the March 31st market value of the BSP Endowment, we calculate the BSP Endowment Access Chart for Supplemental Financial and Enrichment Funds, as described below.

If the amount of Endowment Enrichment Funds exceed \$25,000, schools are invited to submit a proposal for accessing these funds.

We ask that these proposals be submitted by June 15th each year so they can be approved

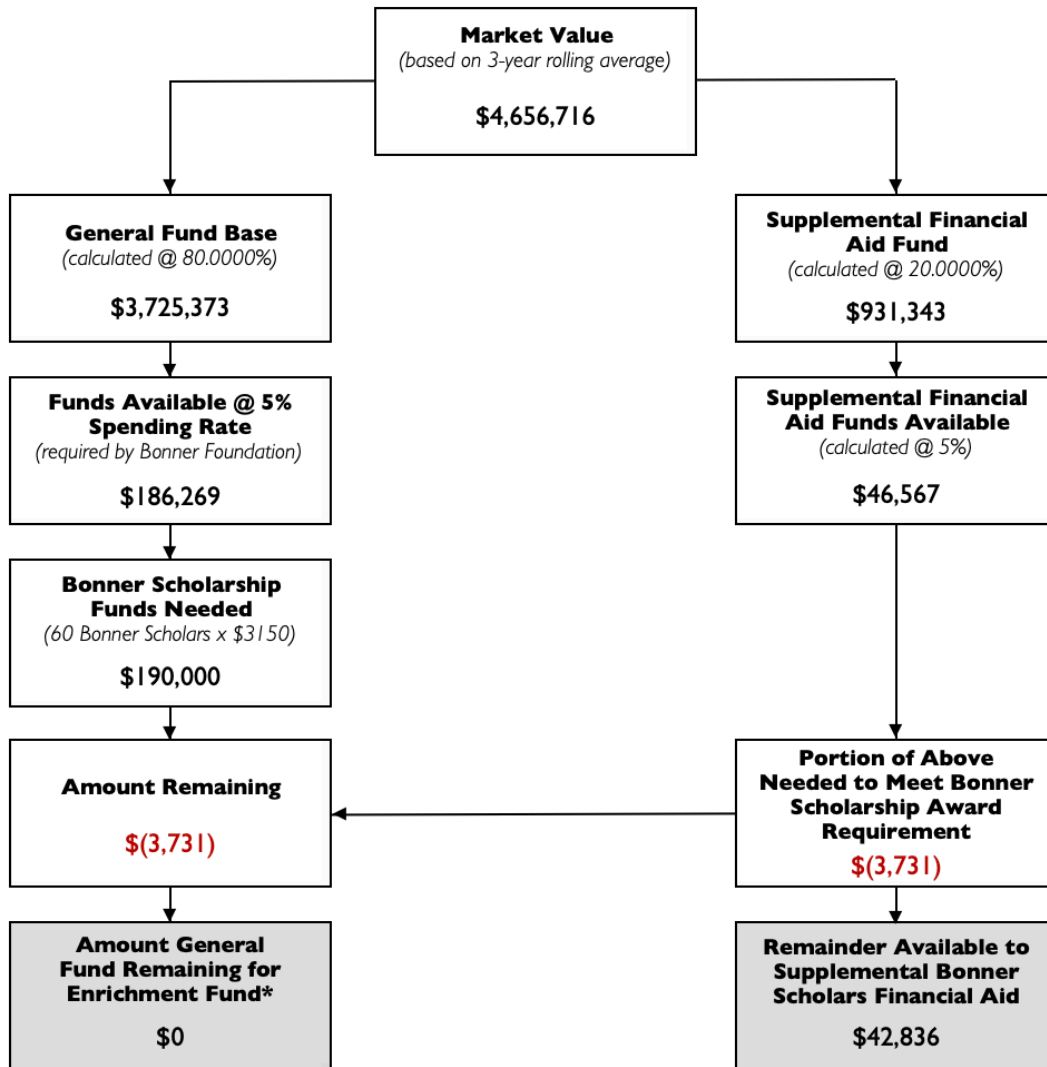
prior to the start of the new fiscal year on July 1. The Bonner Foundation emails a Bonner Scholar Program Endowment Access approval letter each year approving allocation of Supplemental Financial Funds and Enrichment Funds. The following describes these calculations and the approval process.

BEREA COLLEGE

CALCULATION FOR USE OF BONNER SCHOLAR ENDOWMENT FUNDS

for 2022-23 Academic Year

Market Value on 3/31/20: \$3,812,111
 Market Value on 3/31/21: \$4,935,751
 Market Value on 3/31/22: \$5,222,286



* Must be >\$25,000 to access any of these funds

1) **Bonner Scholar Program Endowment Access Calculation**

Per the Bonner Scholar Program Endowment Agreement, the Bonner Foundation uses the market values as of March 31st from the last three years to calculate the three-year rolling average of the Bonner Scholar Endowment. From this figure, we calculate the amount available in the **General Fund** (based on the percentage of the endowment originally awarded by the Bonner Foundation) and the **Supplemental Financial Aid Fund** (based on the percentage of the original matched by the institution), as shown in the chart below.

2) **Supplemental Financial Aid**

The Supplemental Financial Aid Fund provides funding to assist the institution in meeting the financial aid packaging requirements for the Bonner Scholars Program. The approval letter for accessing these funds is sent once the Bonner Foundation receives the latest March 31st market value.

3) **Bonner Endowment Enrichment Fund**

The Bonner Scholar Endowment Agreement applies a 5% endowment spending rate policy.* This spending rate is calculated to generate the amount available in the Bonner Scholar Program Endowment General Fund for the current fiscal year (as shown in the Bonner Scholar Program Endowment Access Chart below).

The **Bonner General Fund** is used to:

- a) **Bonner Scholar Program Budget**, the amount required for the annual, currently calculated at \$3,150 per student x the maximum enrollment approved for the school in the Bonner Endowment Agreement; and,
- b) **Bonner Endowment Enrichment Fund**, the amount remaining after subtracting the annual Bonner Scholar Program Budget from the amount available in the annual Bonner General Fund.

Use of the Bonner Bonner Endowment Enrichment Fund is only possible if it exceeds \$25,000. If the amount available in the General Fund for a given fiscal year is not sufficient to fund the annual Bonner Scholar Program Budget, then the additional funds needed to close the gap are drawn from the available funds in the Supplemental Financial Aid Fund.

Assuming the balance is at or above \$25,000, schools may submit a proposal for how they intend to use these funds. The Bonner Scholar Program Endowment Agreement describes the purpose of these funds as follows:

“The primary purpose of the Bonner Enrichment Funds will be to provide administrative and program support for campus wide community service learning activities. The Bonner Enrichment Funds may pay for such administrative and programmatic expenses such as additional staff, capital expenses (excluding building costs), training, and program and/or course development support to students, faculty, staff and community leaders. The Bonner Enrichment Funds may not be used to support expenses related directly to the operation of the Bonner Scholars Program and will not be available for costs related to meeting the minimum guidelines of the Bonner Scholars Programs (e.g., expenses relating to the minimum required Bonner Scholar Program staff).”

c) An amendment to the Bonner Scholar Program Endowment Agreement gives schools the option to move up to 50% of the Bonner Endowment Enrichment Fund to the Bonner Supplemental Financial Aid Fund. This is intended to provide some additional support to schools in meeting the Bonner Scholar financial aid requirements as outlined in the Bonner Scholar Program Rules.

C. Year-End Bonner Scholar Program Endowment Reconciliation Report

The Year-End BSP Endowment Reconciliation Report reports the beginning and ending market value of the Bonner Scholar Program Endowment, and the . This document provides a detailed account of the endowment's financial activity and helps to confirm that the funds are being used in accordance with the program's guidelines. It also enables the Bonner Foundation to have a clear understanding of the endowment's current financial status, which allows them to make informed decisions regarding the allocation of resources to support the program and its participants.

VII. Summary Reporting Calendar

This calendar shows all of the reporting deadlines for the Bonner Scholar Program. We understand that there are a range of circumstances that might prevent you from meeting a deadline listed here. We simply ask that you let us know when you are unable to do so, and your best guess for when can.

September

- September 15:
 - **BWBR Reports** due: **Summer Reimbursement Report** & Fall Registrars List
 - Note: the Bonner Foundation staff will generate the **Fall Allocation Report** once we are able to lock the Fall Registrars List.
 - Reminders will be sent by Bonner Foundation staff for the following proposals: **First Year Service Trip, Special Projects Fund, and Rising Senior Fund**

January

- January 15:
 - **BWBR Reports** due: **Fall Reimbursement Report & Spring Registrars List**
 - Reminders will be sent by Bonner Foundation staff for the following proposals if they have not been received yet: **First Year Service Trip, Local Summer Service, Special Projects Fund, and Rising Senior Fund**

February

- **February 15, 2023**
 - **First Year Service Trip Proposal** due
 - **Special Projects Fund Proposal** due

March

- March 31st – **BSP Endowment Market Value** on this date is used to calculate the BSP Endowment Supplemental Financial Aid & Enrichment Fund Access (due May 15 to Bonner Foundation - see below)

May

- May 15th – **March 31st BSP Endowment Market Value** due via email to the Bonner Foundation. Upon receipt of these reports, the Bonner Foundation will send the following:
 - **BSP Endowment Access Chart**, which calculates the amount available in **BSP Endowment Supplemental Financial Aid Funds & BSP Endowment Enrichment Funds**

June

- June 1
 - **BWBR Reports** due: **Fall Reimbursement Report & Spring Registrars List**
- **June 15**
 - **BSP Endowment Enrichment Fund Proposals** due
 - **Bonner Program Annual Report** due

July

- **July 15**
 - **Bonner Scholar Program Endowment Audit Confirmation Letter** due after receipt of letter **mailed to you by our accounting firm**
- **July 30**
 - **Year-End BSP Enrichment Fund Fiscal Report** due (budget vs actuals for period ending June 30, 2023)
 - **Year-End BSP Special Projects Fund Fiscal Report** due (budget vs actuals for period ending June 30, 2023)

August

- August 15: **Bonner Scholar Program Endowment Annual Reconciliation Report** due

Appendix

- **Year-End BSP Endowment Reconciliation Report** [Guide](#) & [Template](#)
- **Request for Proposals (RFPs) Links:**
 - ▶ [Bonner First Year Service Trip](#)
 - ▶ [Bonner Local Summer Service Fund](#)
 - ▶ [Bonner Student Congress Travel Fund](#)
 - ▶ [Special Projects Fund](#)