



**London Goodenough Association of Canada**  
Registered Charity #BN 891107146RR0001

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## **Named Scholarships**

The objective of the LGAC Named Scholarship Program is to raise the LGAC's investment income on a sustained basis to finance higher award amounts for each LGAC Scholarship. As well, we want to expand the number of scholarships we award by attracting more endowed scholarships like the Molson Foundation Scholarship.

We are pleased to offer three types of multi-year donation plans for Named Scholarships, each designed to appeal to donors at different donation levels. Please give your careful consideration to contributing to the LGAC's outstanding Scholarship Program through a Named Scholarship. We would be delighted to hear from you and discuss donation options that would best meet your donation objectives.

The development of this scholarship funding proposal arose through expressions of interest from LGAC members in making multi-year donation commitments and the need to respond with specific programs that meet these donation objectives. For several years, the LGAC has made increasing the amount of each scholarship a priority. While we have been able to raise the scholarship amount from £4,000 to £5,500 over the past six years, this increase has not been sufficient to keep up with rising room costs, which have increased substantially owing to major renovations. The current scholarship amount only funds about six months of accommodation in the least expensive room, while most students' academic years are nine or more months. Increasing the number of months a scholarship buys is an expensive task and can only be done if we add a significant amount of capital to our investment portfolio.

### **How the Numbers Work**

Since 1990, the LGAC has funded 162 Scholarships totaling over \$1 million. This program represents the core of the LGAC's activities and is an extraordinary success. LGAC Scholars are not only truly remarkable students, they also have a great record of participation and leadership at the College and many serve on the LGAC board on their return to Canada. In 2015 the LGAC is funding five full awards. The LGAC's investment portfolio of approximately \$1.2 million currently funds four full awards from its investment return. This includes one award that is funded from the Molson Foundation's endowment. The remaining award is funded from annual scholarship donations. A small balance from annual scholarship donations adds to the LGAC's capital, but the increment is not large enough to have a significant impact on the LGAC's total capital. An increase of this magnitude can generate additional investment income to finance an extra month of accommodation at the College for the scholarships funded by the portfolio.

### **How the Named Scholarships Work**

The LGAC has designed three multi-year donation plans of different magnitude with corresponding levels of donor recognition through one or more Named Scholarships. All are based on the current cost of \$10,000 per scholarship.

#### **(i) Single Named Scholarship:**

##### **A multi-year donation to fund one Named Scholarship**

The LGAC will designate a Single Named Scholarship to honour a donor who commits to donating a total of \$10,000 through a multi-year donation commitment of at least \$1,000 per year until the target is met. For example, a donor could give \$1,000 per year for 10 years, or \$2,000 for 5 years.

For donors who have made significant cumulative donations in the past, the LGAC is offering a partial Donor Credit towards the cost of their Named Scholarship as a special incentive to encourage these donors to donate one or more Scholarships. Full details of the Donor Credit are provided in the description and table below.

(ii)

**Multi-Year Named Scholarship:**

**A multi-year donation to fund several annual Named Scholarships**

The LGAC will name one Named Scholarship per year to honour a donor for each donation of \$10,000 during a multi-year commitment. For instance, a donor could commit to donate \$100,000 over 10 years (\$10,000 per year) to fund 10 annual Named Scholarships, or \$20,000 per year for 5 years for the same result. Similarly, \$25,000 per year donated for 2 years would fund 5 Scholarships over 5 years.

The Donor Credit(s) described below may also be utilized for one or more years as part of a Multi-Year Scholarship commitment.

Donors may also convert a Multi-Year Named Scholarship for a fixed number of years into an incremental Endowed Scholarship on a permanent basis. In effect, the LGAC would permit the capital roll-over of any unspent donation amount for a Multi-Year Scholarship into capital for an Endowed Scholarship (see below).

For both the Single Named Scholarship and the Multi-Year Named Scholarship, the LGAC intends to use the funding to build its scholarship capital rather than increase the number of awards. The LGAC will work with donors to time the naming of their scholarship during the latter part of their donation commitment period or shortly thereafter. For donation commitments made after 2015, the LGAC may increase the \$10,000 donation amount for a Named Scholarship to reflect the current cost of a scholarship.

(iii) **Endowed Scholarship:**

**A multi-year donation to capitalize an annual fully-funded Named Scholarship**

The LGAC will name an annual scholarship on a permanent basis to honour a donor who makes a capital commitment of \$300,000 to fund a new scholarship. In addition to funding an incremental new scholarship, the endowing of a scholarship provides the donor with some scope to direct the use of the scholarship funds, provided that the scholarship winner does not receive any preference over a Scholarship applicant who was ranked higher.<sup>1</sup> If no candidate qualifies to win this scholarship, the LGAC may defer the award and make an additional award in a subsequent year. The LGAC reserves the right to limit scholarship awards during the donation term to reduce their impact on the endowment's capital.

**How You Can Help**

Help the LGAC build its Scholarship Program by donating a Named Scholarship. You can do this in a number of ways:

- Contact [admin@lgac.ca](mailto:admin@lgac.ca) to receive further information or arrange a call to discuss donation alternatives.
- Download and submit the Named Scholarship Donation Form ([http://lgac.ca/sites/default/files/LGAC\\_Named\\_Scholarships\\_Donation\\_Form.pdf](http://lgac.ca/sites/default/files/LGAC_Named_Scholarships_Donation_Form.pdf)).

What if none of these plans specifically works for you, but you are interested in some combination of these plans' features? We would be happy to discuss options.

We look forward to hearing from you.

**Donor Credit Details**

The table below provides the details of the Donor Credit incentive for donors with Cumulative Donations of \$2,000 or more since 2002. Cumulative Donations will include donations up to the date of the first Named Scholarship Donation. The Cumulative Donation figure has been tracked annually by the LGAC since 2002 and includes all donations made to the LGAC, including donations to Goodenough College. Donors may obtain their Cumulative Donation total by emailing the LGAC's Administrator, Brian Cardie, at [admin@lgac.ca](mailto:admin@lgac.ca).

The Donor Credits range from \$2,000 (or 100% of Cumulative Donations) for donors with past donations of \$2,000 to \$4,000 (or 50%) for donors with past donations of \$8,000. All Donor Credits must be utilized within a Donation Term of three years. The Donor Credit is also tiered by Donation Term to provide the highest Credit to donors who utilize their Credit in a single year. These features are designed to encourage donors to make their donations over a short term to take full advantage of their Credit.

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<sup>1</sup> This provision was adopted for the Molson Foundation Scholarship for which a francophone winner must first qualify as the winner of an LGAC Scholarship.

Donors with Cumulative Donations of \$10,000 or more (Goodenough Benefactors) are eligible for one Donor Credit for each \$8,000 (or part thereof) of Cumulative Donations. The value of each Credit will depend on the Donation Term for each. However, to encourage these donors to make a multi-year pledge that utilizes all of their Credits as quickly as possible, the LGAC is offering a Bonus Donor Credit of \$1,000 for each Credit, provided that the donor makes a multi-year pledge to donate one Scholarship for each full or partial Donor Credit and the Donation Term for each Scholarship and Donor Credit is one year. For example, a donor with Cumulative Donations of \$20,000 would be eligible for three Donor Credits. The normal maximum Credits would be 2 x \$4,000, plus 1 x \$2,500 if the Donation Term for each Credit is one year, or 3 x \$2,000 if the Donation Term for each Credit is three years. If the donor makes a 3-year pledge to donate three Scholarships over three years, the total Credits would be 2 x \$5,000, plus 1 x \$3,500 and the total cost of the Named Scholarships would be \$10,500 (2 x \$3,000 + 1 x \$4,500).

The deadline for utilizing all Donor Credits, or committing to do so, is December 31, 2015 unless a donor requests a specific extension in order to consider how to utilize the Credits.

<b>LGAC Named Scholarship: Donor Credit</b>			
<b>Cumulative Donations</b>	<b>Donation Term</b>		
	<b>1 Year</b>	<b>2 Years</b>	<b>3 Years</b>
<b>\$8,000+</b>	Donor Credit: \$4,000 Annual Donation: \$4,000 Total Donation: \$4,000	Donor Credit: \$3,000 Annual Donation: \$2,500 Total Donation: \$5,000	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000
<b>\$7,000 to \$7,999</b>	Donor Credit: \$3,500 Annual Donation: \$4,500 Total Donation: \$4,500	Donor Credit: \$2,750 Annual Donation: \$2,625 Total Donation: \$5,250	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000
<b>\$6,000 to \$6,999</b>	Donor Credit: \$3,000 Annual Donation: \$5,000 Total Donation: \$5,000	Donor Credit: \$2,500 Annual Donation: \$2,750 Total Donation: \$5,500	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000
<b>\$5,000 to \$5,999</b>	Donor Credit: \$2,750 Annual Donation: \$5,250 Total Donation: \$5,250	Donor Credit: \$2,500 Annual Donation: \$2,750 Total Donation: \$5,500	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000
<b>\$4,000 to \$4,999</b>	Donor Credit: \$2,500 Annual Donation: \$5,500 Total Donation: \$5,500	Donor Credit: \$2,250 Annual Donation: \$2,875 Total Donation: \$5,750	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000
<b>\$3,000 to \$3,999</b>	Donor Credit: \$2,250 Annual Donation: \$5,750 Total Donation: \$5,750	Donor Credit: \$2,000 Annual Donation: \$3,000 Total Donation: \$6,000	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000
<b>\$2,000 to \$2,999</b>	Donor Credit: \$2,000 Annual Donation: \$6,000 Total Donation: \$6,000	Donor Credit: \$2,000 Annual Donation: \$3,000 Total Donation: \$6,000	Donor Credit: \$2,000 Annual Donation: \$2,000 Total Donation: \$6,000