

Narrative

A) Program Description

POISE Foundation (the Foundation) is a 501(c)(3) organization and a community foundation located in Allegheny County in Southwest Pennsylvania. Our mission is to

- 1) Encourage creative and sustained responses to the issues and programs which have a direct impact on the Black community in the City of Pittsburgh and Allegheny County, and
- 2) Enhance the leadership role of Pittsburgh's Black citizens in identifying the emerging and changing needs of the community and shaping effective responses to those needs. The Foundation is thus a catalyst for change and growth in the Black community.

The Foundation is twenty-five years old and currently administers over 120 individual funds. Approximately 60% of these funds are scholarship funds. The Foundation is currently an authorized Scholarship Organization for Kindergarten, Primary and Secondary schools. It is our intent to become an eligible organization for the Pre-Kindergarten program as well.

The Foundation is applying for listing as a Scholarship Organization for the Pre-Kindergarten Tax Credit. The Foundation will administer the Educational Improvement Tax Credit (EITC) gifts through a scholarship program via a single fund named The POISE Pre-Kindergarten Education Fund (the Fund) of the POISE Foundation. The criteria for awarding scholarships from the fund will be based on the guidelines as stated below. Furthermore, the use of this fund is limited only to the EITC program. Accordingly, there will be no commingling of funds from other programs. This will provide a more adequate audit trail for compliance purposes.

The Fund receives and processes applications from eligible students based on the following criteria:

- Students must reside in Pennsylvania and are enrolled or will be enrolled in a school located within the city of Pittsburgh or Allegheny County.
- Annual household income of the student's family will not exceed \$50,000 except for additional income allowances of \$10,000 for the student and each additional dependent as defined by the IRS living within the household. Also, there are certain monies and property received that will be excluded from income for purposes of determining eligibility. These are defined in the guidelines of the EITC program. To verify income, the Foundation requires the prior year tax return and an estimate of current year income. This may include copies of recent pay stubs and/or other information

- Scholarship aid will be available for students entering into tuition charging programs that meet the EITC guidelines. The Foundation discusses with each Pre-K program its curriculum alignment with the school which it is associated. Pre-K programs must align its developmental and instructional activities to prepare the students for entry into the associated kindergarten program. Each Pre-K program selected will operate at least two hours per day and a minimum of sixty days per year.
- Scholarships from the Fund will be limited to tuition and certain fees (collectively referred to as tuition). At no time will scholarships exceed the tuition.
- Although the Foundation does not require proof of race, the goal of the fund is to increase enrollment of African American children in Pre-Kindergarten programs.
- The Fund reserves the right to add additional parameters as long as they are consistent with Act 48.

B) Application and Review Process

Applications will be solicited from eligible students using the Foundation's normal methods of soliciting and receiving applications. All applications are reviewed at three levels. First, a Program Specialist will review the applications for completeness. Once approved, the applications will be sent the President of the Foundation for review. Finally, the Distribution Committee of the Board of Trustees will review the applications for final approval. Once the Distribution committee approves the scholarships based on the Fund's criteria, the full board will vote to approve or decline the scholarships. This is consistent with our current policies.

All scholarship applications and supporting information including verification of income will be maintained in separate files designated for the EITC Pre-K program. This information will be maintained in a safe and secure location within the offices of the Foundation. Two years worth of applications, receipts and expenditure records are maintained on site. Applications, receipts and expenditure records older than two years are currently stored in a third party secured location. All of these documents are currently maintained indefinitely. Furthermore, these documents are only available to individuals involved in the scholarship review process and the Foundation's board at their request.

An eligible student is a resident of Pennsylvania, who is at least three years of age and is enrolled in a pre-kindergarten program located in this Commonwealth and who is a member of a household with an annual household income of not more than \$50,000, except that an additional income allowance of \$10,000 is permitted for the student and for each other **dependent** as defined by the IRS living within the same household.

A household includes an individual living alone or an individual living with the following:

- a. a spouse, parent and their unemancipated minor children;
- b. other unemancipated minor children who are related by blood or marriage; or
- c. other adults or unemancipated minor children living in the household who are dependent upon the individual.

In calculating household income for the purpose of determining student eligibility, all moneys and property received of whatever nature and from whatever source are to be included, except for the following:

- a. Periodic payments for sickness and disability other than regular wages received during a period of sickness or disability.
- b. Disability, retirement or other payments arising under workers' compensation acts, occupational disease acts and similar legislation by any government.
- c. Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of employment.
- d. Payments commonly known as public assistance or unemployment compensation payments by a governmental agency.
- e. Payments to reimburse actual expenses.
- f. Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, strike benefits, social security and retirement.
- g. Compensation received by United States servicemen serving in a combat zone.

Refund of grants and maintenance of confidentiality of information will follow the Foundation's documented policies. If a student does not complete enrollment or drops out of the school program once enrolled, the Foundation requires that the monies be refunded. These monies will not be allocated to different students due to the financial criteria that must be reviewed on a student by student basis. The Foundation will review the possibility of pro-rating the refund based on when the student leaves the program.