

State Scholarships Special Committee
Report and Recommendations
August 1, 2021

BACKGROUND

Definition of the Committee: The State Scholarship Special Committee was formed in September 2020 by KSDAR State Regent Susan Metzger to propose a course of action for the KSDAR Special Scholarships including, the Genevieve Pendleton Memorial Endowment Scholarship, Elizabeth M. Kessler Scholarship, Gladys E. Routh Memorial Scholarship, and Kansas DAR Scholarship. Rebecca Kline State Vice Regent was appointed to coordinate the committee consisting of Brenda Dooley, Honorary State Regent, and past State Scholarship Chair, Janice Brady, past Scholarship Chair, Sandy Wurth, past State Chair American Indian Committee, Mary Kuhn, Honorary Chapter Regent Eunice Sterling Chapter, and Laura Bond, past State Treasurer.

Purpose of the Committee: The committee aims to propose a course of action for the four special scholarships considering the gift restrictions, the donor's intent, the likelihood of meaningful future awards, and the effort of elected KSDAR officers to manage.

Reporting timeline: The preliminary report shall be presented to the Executive Committee at the executive committee meeting on April 22, 2021. The report and recommendation(s) to the State Board of Management shall be sent to the State Regent and the State Corresponding Secretary no later than August 1, 2021, for distribution with the Call.

Process:

1. Prepare a brief history of the background for the four scholarships indicated in the committee purpose.
2. If available, review original statements of gifts, e.g., wills.
3. Research alternatives and provide recommendations to the KSDAR Executive Committee regarding the future of the Genevieve Pendleton Memorial Endowment Scholarship, Elizabeth M. Kessler Scholarship, and Gladys E. Routh Memorial Scholarship, and the Kansas DAR Scholarship. Recommendations may include the dissolution of the scholarships, maintaining the status quo, fundraising initiatives, or other alternatives.
4. Determine what, if any, items in the KSDAR Bylaws and Standing Rules will require review by the KSDAR Bylaws Committee for proposed consideration by the membership.

Educational support of the Kansas Society: The Kansas Society has been fulfilling the NSDAR mission of Education in providing scholarships to deserving students since the 1920s with the establishment of the State Student Loan Fund in 1926 with \$1,000 budgeted in 1929.

History of the Special Scholarships

- 1980-1981. The Genevieve Pendleton Memorial Endowment Scholarship was established with the original gift amount of \$2,100. The fund has \$2,530.95 in July 2021 with 430.95 of interest for an award. Two hundred dollars was last awarded in 2016. Eleven awards have been given over 38 years.

Criteria - It is given the third year of each KSDAR administration to a high school senior entering a two-or four-year college or university. The selection shall be based on an essay relative to the broad aspect of national defense, the patriotic awareness of the candidate, two references as to the applicant's character and integrity, and an acceptable academic record. Selection shall be made by the State Scholarship Committee Chair, the State National Defense Committee Chair, and the State Regent.

- 1988 - Elizabeth M. Hill Kessler Scholarship was established in 1988 with the original gift of \$2,515.41, which was given to the Society in 1985. Presently it has \$2,782.35 with 266.94 dollars for an award (July 2021.) Ten awards have been given over the last thirty-three years.

Criteria – This award will be given the second year of each KSDAR administration, and the State Scholarship Committee shall select the recipient. It provides a college scholarship for a girl graduating from high school. The recipient of this scholarship shall have an acceptable scholastic ability, show financial need, be a citizen of the United States of America, and be eligible for membership in the DAR.

Originally intended to support the Shawnee Indian Mission in Fairway, Kansas, the donor created a proviso that authorized the KSDAR elected leaders to use the funds for a scholarship should KSDAR no longer have supported rooms in the Shawnee Indian Mission. If, however, the two rooms formerly supported by the KSDAR are again maintained and refurbished by the Kansas Daughters, the interest from this fund shall be used for these purposes and take precedence over the scholarship fund at the Shawnee Mission in Fairway, Kansas. The two rooms at the Shawnee Indian Mission have been closed since 1981. The contents were dispersed to private donors and the Kansas Historical Society in Topeka, thereby eliminating the intent of the proviso.

- 1987 – 1988 – The Gladys E. Routh Memorial Scholarship was established with an original amount of \$3,000. The accumulated interest of \$343.93 is available for an award. (July 2021). The award is offered in the first year of the KSDAR administration. Only eight scholarships have been presented, the last one in 2014 for \$300.

Criteria – The award should be given to a boy or girl, preferably one who is a least one-fourth Pottawatomie Indian. If a recipient is not identified, another Indian heritage may be substituted. In addition, they must attend an accredited college or university. The KSDAR

Scholarship Committee Chair, the KSDAR American Indians Committee Chair, and a member of the Eunice Sterling Chapter shall make the selection.

- 1983 – The Kansas DAR Scholarship award was established and renamed from the original fund, the State Student Loan Fund. The amount has varied over the years, and the Executive Committee recommends an amount to the Board of Management annually. As of July 2021, the fund has \$44,363.76, of which \$26,000 is in a CD. Pre 1983, seventy-six recipients were awarded a designated amount. Since 1983, thirty-nine awards have been presented—the last award of \$1000 in 2021.

Criteria – The scholarship shall be awarded annually to a high school student who has DAR eligibility or is a member of DAR. Proof of enrollment in a two or four-year accredited college or university is required. Members of the State DAR Scholarship Committee select the recipient.

Conclusion

The State Scholarship, Special Committee members performed in-depth historical research for all four scholarships, the Gladys E. Routh Memorial Scholarship, the Elizabeth M. Hill Kessler Scholarship, the Genevieve Pendleton Memorial Endowment Scholarship, and the Kansas DAR Scholarship. The members analyzed accumulated data with thoughtful consideration given to the legacies of the DAR members and their original intent for the monies donated to the Society. The committee sought expert advice from a licensed Kansas attorney, the NSDAR Director of Development, the Kansas Attorney General's Office, the Executive Director of the Kansas Association of Community Foundations, the KSDAR State Treasurer, and the KSDAR Auditing Committee. Decisions made by the committee were not treated lightly but were based on the resource's responses and historical research. The scholarship funds have not supported significant scholarship amounts from interest-only funds for at least a decade or more. The Kansas Society cannot in good conscience expect a student to apply for a scholarship for less than 500 dollars to be a meaningful contribution toward their educational goals, and the Kansas Society should not continue to have the administrative burden of managing these funds.

The members of the State Scholarship Special Committee recommend the following:

1. That the Genevieve Pendleton Memorial Endowment Scholarship be maintained in its present language with the addition that the scholarship be promoted to allow the Kansas members to donate to the scholarship fund to increase the amount of the fund and increase the investment return

Rationale: National Defense is significant to NSDAR. We highlight it at our Continental Congress, which needs to be encouraged among our high school students. This scholarship highlights this vital aspect and encourages students to be aware of national defense by writing an essay on the subject. A scholarship of \$200 was last awarded in 2016 at the 118th Annual State Conference.

2. That the Elizabeth M. Hill Kessler Scholarship be closed after the remaining principal balance plus interest be paid out in equal amounts over three years. The established criteria for presenting the award should be followed according to the original intent of the grantor.

Rationale: The last scholarship awarded was in 2016. Due to the low rate of interest from the CD investment, the principal plus the interest could be assisting students with an equitable amount to further their Education. At the present value, three \$927 scholarships would be awarded.

3. That the Gladys E. Routh Memorial Scholarship fund be closed after the remaining principal balance plus interest be paid out in equal amounts over three years. We suggest the Kansas State Scholarship Committee establish and cooperate with the Scholarship Director of the Prairie Band Potawatomi Nation Tribe in Mayetta, Kansas, to identify a qualified student, male or female, who meets the established criteria of the scholarship consistent with the intent of the original grantor of the scholarship.

Rationale: The scholarship has not been awarded for seven years since 2014 due to the low return of the investment. At the present value, three \$1,114 scholarships would be granted.

4. That the Kansas Society considers investment options other than a Certificate of Deposit for the Kansas DAR Scholarship Fund to provide future growth and income to meet the current needs of applicants and increase the annual awards. Furthermore, we encourage DAR members to consider investing in the scholarship with considerable contributions to reach a sustainable amount. We recommend the State Finance Committee and State Treasurer explore possible investment opportunities in consultation with the Treasurer General NSDAR.

Rationale: Currently, the Kansas DAR Scholarship Fund has a balance of \$44,363.76. Investing the monies other than in a CD could eventually create a self-sustaining fund, allowing KSDAR to support more students with DAR eligibility, and provide more scholarships. While the fund is at its highest balance known, it will dwindle with awards of \$1000 or more annually.

5. That the State Scholarship Committee develop a fundraising project to increase the Kansas DAR State Scholarship and the Pendleton Scholarship.

If the recommendations are adopted, changes in the KSDAR bylaws for each of the aforementioned scholarships in the Special Scholarship Section, including Standing Rules, would need to be created.

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