

June 15, 2011

Dear Scholarship Applicant,

As was the case with many non-profits SVSEF had to reduce budgets to stay afloat. This year will not be much better than last year. There are no standards to judge against and no solid forecasts to use to predict the coming year. That said the SVSEF Board is anticipating a scholarship budget similar to last year's, \$100,000 was budgeted and awarded.

\$100,000 is a lot of money to award. Our number one responsibility is to honor our donors and give these scholarships to athletes that are truly in need. If we don't, it will endanger our ability to raise funds for both scholarships and operating expenses in the future.

In the past, we have dealt with issues of fraud. This year, we are asking very pointed questions in order to ensure that the scholarship recipients are truly in need of these funds. We will also be requesting an IRS Form 4506 from each applicant to verify 2010 IRS 1040 if necessary.

Also, it has come to our attention that many times families' lifestyles show other than a need for scholarship money, or an inequality with income reported. When a family can afford a spring break vacation that costs more than tuition or travel to their children's competitions, we have to ask the question, is this family truly in need? Our main goal is to identify the families that have to make a decision between paying a necessary bill (car payment, power bill, mortgage) or paying ski team. These are the families that the scholarship fund is for. **It is not our intent to subsidize other activities, vacations, private schools, club memberships, traveling to competitions, etc.**

As in prior years, SVSEF requires volunteer hours from those who are awarded scholarship funds. We ask that someone in your family volunteer at least one four-hour shift at a fall fundraiser (Ski Swap or Game Dinner) and one four-hour shift at the Janss. In general, it is disheartening when families that have received so much from SVSEF programs don't take the time to volunteer for the fundraisers that have provided their scholarships and/or provided funds for general SVSEF operating expenses.

We hope you understand what the committee is trying to accomplish and the need to create transparency in the application process. Fund raising will be difficult and our donors have given to help athletes that truly would not be able to afford this program. There are many, many families that adjust their lifestyle and make sacrifices to have their athlete participate with us, and they do not ask for scholarship money. **Each year, we have to raise \$500,000 - \$600,000 just to cover operating expenses, not including scholarships. We cannot endanger our fundraising capabilities by being a victim of fraud and greed.**

Sincerely,

The SVSEF Scholarship Committee