

HOUSTON ENDOWMENT INC.
A PHILANTHROPY ENDOWED BY JESSE H. AND MARY GIBBS JONES

JESSE H. AND MARY GIBBS JONES SCHOLARS PROGRAM
PREVIOUS GUIDELINES FOR JONES SCHOLARS

General Information

1. Total value of each scholarship is \$16,000, which is distributed in four annual payments of \$4,000.
2. Scholarship recipients are required to attend a four-year accredited college or university, which include only those schools that have received their accreditation from one of the regional commissions within the six geographic areas that cover the United States.
3. Generally, college or university attendance must begin with the Fall semester immediately following graduation and continue for four consecutive years. However, a reasonable break in continuous education may be allowed, subject to approval by Houston Endowment of a recipient's written request, for pursuit of a service activity or an educational endeavor that is part of an organized program of a qualified nonprofit organization or academic institution and is not a profit-making venture for the participant.
4. Recipients must enroll as full-time students and complete a minimum of 12 credit hours each semester, or a total of 24 credit hours for the full college year or its equivalent.
5. Houston Endowment will send a check to the scholarship recipient's selected college or university. The funds will be disbursed by the proper college official according to the school's usual operating procedures.
6. The scholarship may be canceled at Houston Endowment's option because of academic failure, withdrawal from school for reasons other than illness, upon the request of the recipient's college or university or because of failure to carry out the responsibilities of a scholarship recipient (see Responsibilities of the Scholarship Recipient).
7. To defer payment in case of illness, Houston Endowment must receive immediate notification from the scholarship recipient, and the recipient's attending physician should promptly provide a letter verifying an inability to attend school.
8. It is the recipient's responsibility to determine what income tax, if any, is due on his or her scholarship (see Taxability of Scholarships).
9. Scholarships cannot be transferred or assigned by recipients.

Responsibilities of the Scholarship Recipient

1. Before July 1 of the freshman year, the scholarship recipient must send Houston Endowment a copy of an acceptance letter from the college or university that he or she will attend. Do not send the original letter. **Important:** If Houston Endowment does not receive a copy of an acceptance letter by August 1, the scholarship will be canceled.
2. Before June 1 of each year thereafter, the recipient must send Houston Endowment an email stating his or her intention to return to the college or university of record.

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3. At the end of the Fall semester, the recipient must send Houston Endowment a copy of his or her grade report. At the end of the Spring semester, send an official transcript. Even though arrangements can often be made with a school's Financial Aid Office to furnish transcripts, it is the recipient's responsibility to see that Houston Endowment receives the transcript.
4. To transfer to another college or university following a full academic year, the scholarship recipient must furnish Houston Endowment with a copy of a letter of transfer acceptance from the new institution before June 1. To transfer at mid-term or before the completion of a full academic year, the recipient must make arrangements to notify Houston Endowment and each concerned institution. The previous semester's grade report and a letter of acceptance from the new institution must be sent to Houston Endowment, along with any unused portion of a scholarship so it can be sent to the new institution.

Taxability of Scholarships

1. Scholarship funds are not considered gross income for income tax purposes if the amount is received as a qualified scholarship by an individual who is a candidate for a degree at an educational institution.
 - o Qualified scholarship includes any amount received by an individual as a scholarship that the individual can prove is used for qualified tuition and related expenses.
 - o Qualified tuition is tuition and fees required for enrollment or attendance at an educational institution. Related expenses are fees, books, supplies and equipment required for courses of instruction. Scholarship funds used for other expenses, such as room and board, must be included in gross income.
2. Each scholarship recipient is responsible for determining whether a scholarship, in whole or in part, must be included in gross income. In other words, the recipient is responsible for determining what portion of the grant was used for qualified tuition and related expenses.
3. Recipients should contact a tax advisor for assistance or see IRS Publication 970 ó Tax Benefits for Education, available on the IRS web site at: <http://www.irs.gov/formspubs/index.html>

Contact Information

Houston Endowment

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