

# State Scholarship Rules and Regulations

The Miss California Organization Scholarship Fund will award scholarships under the following circumstances: (Please note in some circumstances a 501 C-3 foundation affiliation may not allow payment of scholarship funds to be utilized for student loans or computer equipment.)

## 1) SCHOLARSHIP USAGE:

Scholarship funds may be applied to tuition, textbooks, academic fees and other appropriate mandatory educational expenses. All unusual or questionable items of expense must be referred to the Miss California Organization Scholarship Committee with as much information as possible and far enough in advance, for consideration of approval. Amounts received as scholarship payments are taxable income to the extent that they exceed "Qualified Tuition and Related Expenses". Qualified Tuition and Related Expenses include tuition and fees required for enrollment or attendance of a student at an educational organization, including fees, books, supplies and equipment required of all students in the particular course of instruction.

Payments for on-campus room and board will be made to the educational institution (or for off campus housing if your state 501 c 3 permits) and such requests must be accompanied by appropriate documentation from the educational institution (or fully executed lease agreement) evidencing the charges for same. Contestants must maintain at least 12 credit hours as a full-time student, 9 credit hours part-time status and 9 credit hours for graduate in order to qualify. Payments do not cover key fees or deposits. Utilities (electric, gas, cable, phone, etc.) are also not covered.

Payment of all approved expenditures will be made directly to the college, university or other accredited institution as recognized by the US Department of Education upon receipt of a detailed current tuition statement reflecting a balance due the school unless extenuating circumstances exist (with the exception of computer or musical equipment clause below). Personal Reimbursements to scholarship recipients will not be honored. When requesting an award, it is the responsibility of the student to ensure proper planning and time allotment are exercised. The Miss California Organization suggests a minimum of 30 days to process a scholarship request.

*It is each contestant's obligation to determine whether the scholarship, in whole or part, is includable in gross taxable income, regardless of whether a Form 1099 has been issued by either, The State Organization, or their partnered 501 (C) 3 Organization. Contestants are encouraged to consult a tax advisor regarding the taxability of the scholarship payments.*

## 2) REQUESTING USAGE:

Requests for scholarships are initially processed by the Miss California Organization and forwarded to their [scholarship committee for its review and approval](#) upon written receipt of statements from colleges and schools or from the contestant for other educational expenses. All statements and invoices must be accompanied by a cover letter from the contestant.

Requests for computer or musical equipment will be recommended only if the college or school states in writing that it is mandatory requirement in order for the contestant to complete the coursework. The contestant may be reimbursed for this expense provided the contestant submits either a letter from the school stating the mandatory requirements and a list of course requirements. There will however, be a \$2,000 cap on computer equipment, and this type of expense will be reimbursed only once. Computer software is not a reimbursable item. If a contestant still has local funds available to her, a letter from the Local Executive Director that they do not reimburse or pay for computers [is required](#). The original bill of sale must be submitted as well as the original credit card receipt or a copy of the canceled check. All credit card accounts and banking accounts must be in the name of the contestant in order to be considered.

## 3) PRIORITY OF LEVEL IN USAGE:

Contestants receiving scholarships at the state level must use the scholarship won at the local level prior to applying for funds at the state level. Verification must be submitted in writing from the Local Executive Director that all local scholarship funds have been exhausted. Outside of a request for computer equipment as discussed in Item 2, exceptions to this rule may be granted for payment of college or university room and board which do not fall within the guidelines for disbursement at the local level. The request for an exception must be submitted in writing to the State Scholarship Committee for consideration. Scholarship awards will only be made directly to the educational institution.

**4) STUDENT LOANS:**

Scholarships may be used for outstanding student loan obligations provided the contestant has satisfactorily completed the coursework for which the loan was obtained. In all cases, requests must include a current bill from a bona fide third party lending institution as recognized by the US Department of Education showing a repayment address, student account number and amount due, a copy of the promissory note showing that the contestant the primary responsible payer of the obligation, and an official transcript showing completion of the coursework. Payment will be made directly to the lending institution and credited to the students account.

**5) USAGE FOR FUTURE EXPENSES AND FORFEITURES**

Scholarships may be used for future educational expenses, provided, however, contestants must begin use of their scholarships within 1 years of the date of the award. Prior to forfeiture, reasonable attempt will be made by the state organization to notify the contestant of impending forfeiture. If a contestant has not submitted a request to the Miss California Organization for her scholarship award dollars during this period, her right to request funds will be forfeited. If a contestant forfeits any money from her scholarship award at the local level, her award at the state and national level will automatically be forfeited.

6A) A contestant who begins use of her scholarship within the designated time above will then be required to show continuous activity in her scholarship endeavors up to a limit of 1 year (two for Miss State) following the date of her award. Any balance remaining in a contestant's award 1 year following the date of the award will automatically be forfeited.

6B) An exception to the time limits described in Paragraph 6A above may be made if the contestant, prior to the expiration date, makes a written appeal to the Miss California Organization citing compelling reasons why the time period should be extended. An extension will generally be permitted when the contestant has had local awards within the prescribed time limits above or has been awarded the state title. However, the contestants must still send a written request for extension. The Miss California Organization will review the request and determine whether an extension is warranted. Consistent with the rules and regulations, the decision of the Miss California Organization shall be final and binding. Any funds remaining in the account at the end of three years will automatically be forfeited.

**I (Contestant) \_\_\_\_\_ have read and understand the Miss \_\_\_\_\_ Organization State Scholarship Rules and Regulations:**

\_\_\_\_\_  
**Contestant Signature**

\_\_\_\_\_  
**Date**