

## **REGULAR, BOARD-AWARDED GRANTS**

1. When a request for funding (proposal) is received, the Vice President for Program determines what program sector the proposal falls into.
2. The Program Assistant enters the proposal into the database, which generates an ID number. She creates a file folder, and sends a letter of acknowledgement to the requestor on behalf of the VP-Program or Director of Academic, International and Cultural Programs. If the IRS Determination Letter is sent with the proposal, it is given to the Grants Administrator for processing.
3. The Program Assistant gives the file to the appropriate program staff member for research and evaluation.
4. Program Staff evaluates and presents a recommendation of award or declination to the designated Sector Committee, which is comprised of members of the Board of Directors.
5. The Program Staff prepares the Committee agendas.
6. The Selector Committees review and determine recommendations to the full Board.
7. Proposals being recommended for award are placed on the Board agenda, which is prepared by the Program Assistant. She changes the database status code from "pending staff review" to "staff recommends" in order to indicate their inclusion on the agenda. If a proposal is recommended for declination, she changes the database status code to "staff dec."
8. The Grants Administrator verifies the tax exempt status of the organization using Guidestar's Charity Check. She prints the Charity Check Report and places it aside to be attached to the yellow checklist. Foreign organizations are vetted against the government's Specially Designated Nationals (SDN) list.
9. The Grants Administrator prepares the yellow checklist for each proposed grant coded as "staff recommends." The Charity Check Report is attached and given to the Program Assistant to file in each proposal's file folder.
10. The organization's employee identification number, date on determination letter, and each tax status code, are entered into the organization's record in the database by the Grants Administrator. The date verified is updated when the Charity Check Report is printed.

11. Grants Administrator confirms Charity Check against the IRS determination letter on file and records the exempt status, EIN, and date of verification in the database. She also files the hard copy of the determination letter in the alphabetical master file of determination letters located in her office, after scanning the determination letter to a network file located in the H:\Records\Grants\IRSDetLets directory. These records are retained permanently.
12. If the Grants Administrator finds any non-compliance situations during this process, she directs them to the Vice President for Finance and the Program Officer for resolution.
13. If the organization has not yet provided their determination letter to the Foundation, the Grants Administrator will request it when the grant is awarded or will print it from Charity Check if it is available.
14. Program Staff prepares a write-up [Grant Proposal Record (GPR)] for inclusion in the Board agenda book. This document presents the research and recommendation for the Board's review. It is prepared and saved as part of the permanent record within the grants database and in the grant file.
15. After the Board awards the grants, the Program Assistant informs the Grants Administrator of any changes to the recommendations. The Grants Administrator runs the award process in the database, which changes the status from "pending" to "grant."
16. The Program Assistant runs the declination process for the requests the Board has declined, which changes the status from "pending" to "declined" in the database. She then prepares a letter of declination, under the signature of the assigned Program Staff member, that informs the requestor of the Foundation's decision.
17. When the declination letters have been signed, the Program Assistant copies and mails them, filing a copy of the letter in the corresponding request file. She then removes the files from the open agency file cabinet and gives them to the Office Assistant to be filed in the closed agency files, where they are kept for two years.
18. The Grants Administrator prepares an award letter and Grant Agreement for each grant awarded. The letter and agreement are signed by either the VP-Program or the Director of Academic, International and Cultural Programs, depending on the grant's Sector. The grantee must sign and return the Grant Agreement in order for payment to be released.
19. The Grants Administrator gives the Yellow Checklist with Charity Check report attached, and a copy of the award letter with grant agreement, to the Program Assistant to be filed in the open agency files. The Office Assistant, who copies and compiles the Board Agenda Books, provides the Program Assistant the GPR forms that were copied for the Board Agenda Books.

20. The Grants Administrator notes in the database requirements field of each grant that the yellow checklist has been completed; Charity Check has been previously noted.
21. When the signed Agreement is received from the grantee, it is passed on to the Grants Administrator. She stamps the agreement with the red "Entered" stamp, notes the requirement as complete in the database, and changes the payment status from Hold to Scheduled so payment can be released on the scheduled date. The agreement is then given to the Program Assistant to file in the open agency files.
22. If the signed agreement has not been received within two months of the award date, the Grants Administrator runs a report of those items and provides it to the Program Assistant to follow up on.
23. The Grants Administrator informs the Accountant when the payments are ready to be processed on the scheduled payment dates. She prepares and reviews the Grant Payment Approval Form, which is comprised of the payments to be made, and gets approval in the form of a signature on that form from the VP-Program or the President. The list of approved payments is given to the Accountant as authorization to prepare the checks.
24. The Accountant prepares the checks and gives them to the Grants Administrator to run electronic signatures on those less than \$200,000. Any checks \$200,000 or more require two manual signatures, which the Accountant gets from any of the officers available with the authority to sign checks.
25. The Grants Administrator prepares a transmittal letter for each check under the signature of the VP-Program. After the letters are signed, she copies the letters and mails each check with its cover letter.
26. The transmittal letters indicating first or only payments are filed in the grant folder by the Grants Administrator, at which time she removes the folder from the open agency files, purges it of extraneous material (such as duplicate copies, resumes, CVs, books, CDs) and clips the required papers (check transmittal letter, grant agreement, award letter, yellow checklist, Board book write-up, proposal) to the file folder and gives it to be filed by the Office Assistant in the closed agency files.
27. The Grants Administrator top-hole punches letters transmitting payments that were not first or only payments and gives them to the Office Assistant to clip into the appropriate file folder already filed in the closed agency files.

## **EXPENDITURE ACCOUNTING RESPONSIBILITY**

1. Certain grants require Expenditure Accounting Responsibility (EAR) to be in compliance with IRS regulations.
2. The process to identify these grants begins when the Grants Administrator prints the Charity Check report and discovers the tax status of the organization is that of a private foundation, private operating foundation, or foreign organization.
3. Those identified as requiring Expenditure Accounting are coded accordingly in the organization and request record of the database, and noted on the yellow checklist.
4. At the end of each year an Expenditure Accounting log is prepared by the Grants Administrator using data gathered from the grants database.
5. The Grants Administrator prepares a letter, signed by the VP-Finance, requesting the Expenditure Accounting form be completed and returned. There is more than one standard letter. If the grantee has not responded to previous requests, a more strongly worded letter is sent.
6. The requests are sent semi-annually until the grantee returns all requested information.
7. When the completed form is returned by the grantee to the Foundation, the VP-Finance reviews the form and gives it to the Grants Administrator to note the information in the database and on the Expenditure Accounting Log, which is used in preparation of the Foundation's tax return. The completed form is stamped in blue ink "Exp Acctg Report Do Not Remove From File," top-hole punched, and given to the Office Assistant to attach to the corresponding grant file folder in the closed agency files.

## **GCC / DIRECTED GIVING PROGRAM FOR STAFF AND DIRECTORS**

1. Each staff member is allowed to recommend a grant(s) up to \$2,000 per year and Directors are allowed to recommend up to \$5,000 in grants for each year; both require the approval of the President or Vice President for Program. Grants cannot fulfill an individual's pledges.
2. The authority to approve these recommendations was granted at the November 13, 2001 meeting of the Directors (see page three of the minutes).
3. Staff and Directors send a written request to the Grants Administrator indicating the grantee name, contact information, grant amount and purpose of the award.
4. The Grants Administrator prepares the database entry, creates a file folder, verifies tax exempt status through Charity Check, prints and files the report. If not already on file, she will request a determination letter when the check is sent.
5. Any non-compliance situations discovered during this process are directed to the Vice President for Finance and the requestor for resolution.
6. The Grants Administrator creates the form from the database that needs to be signed by the requestor (staff or director) and the President.
7. When the signed form is returned to the Grants Administrator, it is stamped and filed in the grant file folder, with a copy placed in the annual file. Payment is released to the grantee as part of the next grant check cutting run. The same transmittal and purging process as outlined in the regular grants payment section is followed.
8. Approved and verified grants are included in the regular grant payment process. (See step 24 of the Regular, Board-Awarded Grants.
9. A list of these grants are provided to the Directors at each Board Meeting in a section of the agenda book titled Miscellaneous Actions. This section also informs the Directors of refunds and any previously authorized actions that have been completed.

## **BRADLEY PRIZES PROGRAM**

1. The process begins when the President invites persons prominent in their fields to nominate deserving recipients.
2. The nominations are reviewed by the President and Director of Academic, International and Cultural Programs.
3. The Grants Administrator prepares a write-up for each nomination, which will comprise the Selection Committee Agenda Book.
4. The nominations are then sent to the Selection Committee.
5. The Selection Committee selects the recipients. After the winners are selected, the President notifies the recipients and offers a four year payment schedule to each recipient. Some recipients request an accelerated payment.
6. The President informs the Grants Administrator of each recipient's payment schedule, which is then set up in the grants database as part of the \$1,000,000 Bradley Prize award and paid in the next regularly scheduled grant payment cycle. Exceptions to the payment schedule may be made.
7. The President or Vice President for Administration sends a letter to each winner requesting the W-9 form (or foreign form) be completed and returned to the Foundation's Controller.
8. The Finance Staff prepares and sends each recipient a Form 1099 by January 31.

## **BRADLEY PRIZE SELECTOR GRANTS**

1. Individuals appointed to the Bradley Prize Selection Committee are allowed to recommend, with the President's approval, a grant(s) totaling \$20,000. Each selector completes a form indicating their grant recommendation(s), which is also signed by the President.
2. The form is retained by the Finance Department as authorization to pay each Selector their \$10,000 stipend.
3. A copy of the form is provided to the Grants Administrator to process the recommended grant(s). She verifies the organization's tax exempt status by printing and filing the Charity Check report in the grant file and notes the tax information in the grants database.
4. Any non-compliance situations discovered during this process are directed to the Vice President for Finance and President.
5. Approved and verified grants are included in the regular grant payment process. See step 24 of the Regular, Board-Awarded Grants.
6. The President's authority for this program was granted in November, 2002 when the structure and process of the program was outlined by the Bradley Prizes Committee.

## **DONOR INTENT PROGRAM**

1. The Donor provides a list of recommended grantees and amounts to the President.
2. The President reviews the list for agreeableness with the Bradley mission.
3. Grants recommended by the donor are entered into the database by the Grants Administrator.
4. The Grants Administrator verifies tax exempt status by searching Charity Check; this information is then noted in the database and filed in the grant file folder she has prepared.
5. Any non-compliance situations discovered during this process are directed to the Vice President for Finance and President.
6. A list is run from the database in order for the donor to review and confirm grantees and amounts.
7. When the list is confirmed by the Donor and approved by the President, the grants are awarded.
8. The donor sends the check to the Foundation's President, who gives it to the Finance Department for deposit.
9. When the Controller confirms to the Grants Administrator that the Donor's check has cleared the bank, a special check-run is scheduled and the checks are prepared by the Accountant according to the standard check process.
10. The checks are signed electronically by the Grants Administrator. She prepares the transmittal letter under signature of the President, and mails the checks, placing a copy of the letter in the grant file.
11. A thank you letter is sent from the President to the Donor enclosing a receipt from the VP-Finance. The thank you letter also qualifies as the IRS required acknowledgement letter.
12. A letter regarding the donor's tax limitation percentage is sent to the Donor by the VP-Finance before March 15<sup>th</sup> of the next year.



## **BRADLEY FELLOWSHIP PROGRAM**

1. The Board authorizes \$1.5 million for Bradley Fellowships. The dollar amount is not attached to specific organizations at that time. Each award is not to exceed \$25,000.
2. The Director of Academic, International and Cultural Programs sends a letter of invitation to professors outlining what needs to be done if they choose to participate in the Program.
3. In response to the invitation a professor sends a letter of request, in a specific style, a sample of which had been included in the invitation letter.
4. The request letter prompts a letter of award from the Foundation to the grantee, which needs to be counter-signed by the University and returned to the Foundation.
5. The Grants Administrator verifies the organization's exempt status by printing and filing the organization's Charity Check report.
6. Any non-compliance situations discovered during this process are directed to the Vice President for Finance.
7. Before payment can be released, the counter-signed letter and the professor's report on the prior year's fellowship must be received, if applicable.