

Foundation Grantmaking Process

The Irving and Phyllis Millstein Foundation for Animal Welfare® has a systematic process for selecting grant candidates, processing grant applications, and for reviewing documentation that the IRS requires for nonprofit charities. The Foundation finds potential grant recipients through research or referrals. Prior to contacting a possible grantee, the Foundation researches their mission, operations, catchment area, and their community programs. We also verify their 501(c)(3) status. These efforts are focused on known areas of need, both for animal welfare and animal owner support.

Site Visits: If minimum qualifications are established, the Foundation contacts a prospective grantee organization and arranges for a site visit to examine the candidate's facilities. There, the candidate's needs and potential grant avenues are discussed. Site visits are documented with photographs and detailed notes, which are centrally stored to allow access and review by the Foundation. We then consider whether to fund the organization, and if so, we discuss the nature of the grant, and a level of funding for the grant.

Proposals: After due consideration, a candidate may be invited to submit a proposal addressing one or more of the needs mutually identified during the site visit. The Foundation provides Grant Proposal Guidelines and specific Grant Proposal Instructions to the potential applicant. If the Foundation receives a proposal, it is then evaluated.

Proposal Evaluation: Evaluation of the grant proposal starts with an examination of the issues and needs described in the proposal. Qualitative and quantitative assessments are made. Claims for financial need are examined through cost analysis, through benchmarking with local comparable resources and costs if available, and through consultation with subject matter experts when appropriate. Information gathered at the site visits and from supporting documents provided by candidates are used. At times, additional documentation, discussions with applicants, and revised submissions are required before the application can be fully processed and a determination for funding can be made.

Foundation Grant Documentation: Evaluation of the grant proposal is documented through a Foundation protocol called the *Consideration Memo*. This document requires an exposition of the relevant information needed to present the proposal's essential elements, an analysis confirming the needs, the costs to remedy those needs, as well as any additional documentation or information that will aid in a decision to fund. Thus, the process will ensure that the grant will adequately address the grantee's needs, as well as align with the values and mission of the Foundation. Based on the Consideration Memo, the grant proposal is then either approved, modified, or rejected.

Funding Review: If the grant request is approved, a written grant agreement describing the conditions of the grant is developed by a Foundation Officer.

Grant Award Processing: The Foundation's grant agreement shows the amount of the grant, specifies the uses of the granted funds, and the manner of periodic reporting to the Foundation. Grant agreements are executed by designated Officers of the Foundation.

Award and Control of Granted Funds: The Foundation exercises its fiduciary responsibility through required *Milestone Reports* that are provided by the Grantee. Each grant agreement sets forth a "Schedule of Milestone Report Dates" by which the Grantee is required to document expenditures of grant funds, show the amount of remaining funds and present results. Milestone Reports are usually submitted four times per year, and sometimes other reporting schedules are set.

If the entire grant has been used, the Grantee is required to file a *Final Milestone Report* verifying that the terms of the grant agreement and the purpose of the grant have been fulfilled. If the purpose of the grant has been fulfilled without fully spending the grant, the grant period usually can be extended for up to one year, or the Grantee must return the remaining funds.

A final Foundation determination of the adherence to the grant agreement by the Grantee is established after a thorough examination of the Milestone Reports and if needed, an inspection of the Grantee's records.

**THE IRVING AND PHYLLIS MILLSTEIN
FOUNDATION FOR ANIMAL WELFARE**
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