Process Understanding:

The mission of the Doris Duke Charitable Foundation (DDCF) is to improve the quality of people's lives by nurturing the arts, protecting and restoring the environment, seeking cures for diseases, and helping to protect children from abuse and neglect.

Grants are either competitively awarded through Request for Proposal (RFP) processes or are initiated by the Foundation. All proposed grants are presented to the Board of Trustees at one of the four meetings that take place during the year. All grants must be approved by the Board of Trustees with the exception of the President's Planning Fund (formerly the "Special Opportunities Fund") and grants to be selected through competitive, peer-reviewed program initiatives. In the latter case, the Board approves a total amount for the program initiative and delegates to DDCF's President Joan Spero the authority to approve grants recommended through the peer-review selection process.

Joan Spero (President) is actively involved in the entire grants cycle. Prior to performing all the research on a potential grantee, the Program Director will discuss the organization with Mrs. Spero. Based on this discussion, the research will begin or the project will be set aside.
Once a completed application packet is returned to DDCF, the appropriate Program Director or their designated staff members will review it to ensure that the organization meets DDCF requirements and that the program description is in line with DDCF’s mission and program objectives. The application packet is also reviewed by the Grants Manager and Program Associate for Grants Administration to ensure that all the proper documentation has been received and the organization is a qualified not-for-profit. Each proposed grant is entered into GIFTS for Windows, the Foundation’s grants management database.

Once all the submitted application information has been reviewed and approved, the Program Director will start compiling the information for presentation to the Board of Directors. From the information compiled, a summary will be prepared which describes the potential grantee organization and its proposed use of funds. Once the summary is complete, the Program Director will present the information to a Program Review Committee composed of senior management and program staff. This presentation also serves as a “practice” session for the Board meeting. During the meeting the senior staff will critique the written summary and the presentation, and the appropriate changes will be made.

At the next Board meeting, the information will be presented to the Board for their approval. The Board’s decisions regarding proposed grants are documented in the Board of Director Minutes. After a grant has been approved by the board, Grants Administration staff will record the grant as “Approved” in GIFTS and the GIFTS system assigns a grant number. The Grants Manager also enters the grant information into an Excel spreadsheet containing payment detail on all of the current grants. After a grant number has been assigned, Henry Lehman (Senior Accountant) prepares a journal entry for to record the liability.

Once the Board approves the grant, the appropriate DDCF staff member will notify the organization by telephone. The Program Director and his or her staff then use GIFTS for Windows to generate a grant agreement, using the appropriate grant agreement template. The Program Director and Grants Manager will review and refine the document until they are satisfied that it is complete. Once the Grants Manager has approved the grant agreement and award letter and verified that all grant documentation is in order, the agreement and award letter is forwarded to the President for signature.

Once the President signs the award letter and the grant agreement, the award package will be sent to the grantee organization. The grant agreement specifies the total funds awarded, payment schedule, use of the funds, performance and financial reporting requirements, and various other disclosures regarding DDCF’s rights (for example, to publicly announce the grant). If the grantee organization agrees to the terms of the agreement they will sign and return the agreement to the DDCF (two copies of the agreement are sent and the grantee organization retains one copy for their records).

Once a signed agreement is received by the Foundation, it will be forwarded to the Grants Manager for review. When the Grants Manager is satisfied that all the necessary information has been gathered and all the DDCF’s requirements have been met, the notifies the Program Director. The Grants Manager then uses GIFTS to generate a payment request, signs it, attaches a copy of the signed grant agreement, and forwards it to the Treasurer’s office for processing.
The payment request memorandum provides a brief synopsis of the program, the amount of funds the grantee has been approved for, and instructions for wire transfer of the funds. The memorandum is attached to the accounts payable voucher for record keeping purposes. After this memorandum has been prepared, it is then signed by the Grants Manager and sent to the treasury department. The treasury department verifies that the appropriate level of funds necessary to cover the grantee's payment exist in the account. After the treasury department verifies that the necessary funds are present, a wire transfer approval form is sent to Alan Altschuler (CFO). Alan reviews and signs the wire transfer request, before it is sent to Accounts Payable for processing.

DDCF grants are paid by check or electronic funds transfer (EFT). All grant disbursements are processed through accounts payable and are authorized according to DDCF’s statutory policy. Once the check is prepared or the wire transfer is executed, a payment confirmation is maintained in the accounts payable file and one is placed in the grant file maintained by the Office of Grants Administration.

Within each grant agreement the grantee agrees to provide DDCF with certain interim and final financial and program performance information. The time period for this submission varies from grant to grant. To ensure that the DDCF funds are being used in accordance with the grant agreement, the grantee is required to submit the following information:

- A narrative describing program accomplishments, challenges, and future plans
- An assessment of the project to date (have the original goals been achieved, were any program refinements necessary?)
- Copies of any literature, reports, or media coverage that was generated as a result of the grant
- A copy of the most recent audited financial statement
- A budget to actual comparison of the grant funds (indicating any budget modifications and explanations for budget overages)
- If a multi-year grant, a revised budget and budget narrative for the upcoming year (if warranted)
- The grantee is also required to notify DDCF of any changes to their board, senior staff, or tax-exempt status.

This information is required whether the grant period is one year or multi-year. If the grant is multi-year, the subsequent disbursements will not be made until this information has been received, reviewed, and approved by DDCF.

This information will be submitted to DDCF and reviewed by the Program Director and the Grants Manager to ensure that the grantee has been utilizing DDCF’s funds for the program outlined in their grant agreement. This includes determining if certain project milestones have been met, whether funds have been spent reasonably and within program guidelines, and whether the project has benefited the individuals targeted in the agreement. Additionally, the financial information will be reviewed by the Program Director or Program Officer—and, as necessary, by a member of the Finance Department—to ensure that the grantee is not experiencing any financial difficulties.
Once this information has been evaluated and approved by DDCF, the payment request will be prepared for multi-year grants or, for single year grants, the file will be closed.

Computer information systems

Until March 2002, the Foundation used a grants management database in Microsoft Access that had been developed for the Foundation in 1999. In March 2003, the Foundation implemented GIFTS for Windows, a grants management database system purchased from Microedge, Inc. This database is used to track the different aspects of the grant process. All applications received are entered into the database and their status is tracked according to their progress through the review, approval or declination, and disbursement process. The database is also used to generate grant related documentation, including (but not limited to) grant award letters and grant agreements, payment request memoranda, and wire transfer letters. GIFTS also provides reports that enable the user to project the upcoming disbursements, determine when financial or other reporting information is required, track grant expiration, and track activities related to each grant.