

# Measuring Success in Grantmaking: Reporting, Data and Other Tools


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## Why Tracking Outcomes Matters

Grantor's Perspective		Grantee's Perspective
1. Satisfy legal requirements		1. Satisfy legal requirements
2. Track progress towards overarching goals		2. Satisfy contractual requirements
3. Evaluate program effectiveness		3. Evaluate program effectiveness
4. Staged grantmaking		4. Demonstrate impact
5. Course-corrections		5. Attract funding
6. Ensure efficient allocation of resources		6. Planning and forecasting
7. Accountability		
8. Grantee selection		

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## Legal Importance of Tracking and Measuring Outcomes

**Form 990-PF reporting**

**Expenditure responsibility**

**Program-related investments**

**Proper use of charitable assets**

Fiduciary duties | State charities law | IRS principles

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## Form 990-PF Reporting

### • Summary of Direct Charitable Activities (Part VIII-A)

- List four largest direct charitable activities.
- Include statistical information such as number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

### • Summary of Program-Related Investments (Part VIII-B)

- Describe the two largest program-related investments made by the foundation during the tax year
- Provide the total of all other program-related investments and list the individual investments or groups of investments included (attach a schedule, if necessary).



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### • Grants and Contributions Paid During the Year or Approved for Future Payment (Part XIV)

- Recipient name and address
- Foundation status of recipient
- Purpose of grant or contribution
- Amount
- If individual, relationship to any foundation manager or substantial contributor
- Expenditure responsibility statement

### • Distributable Amount (Part X)

- Recoveries of amounts treated as qualifying distributions

### • Qualifying Distributions (Part XI)

### • Undistributed Income (Part XII)

### • Information Regarding Transfers to and Transactions and Relationships With Noncharitable Exempt Organizations (Part XVI)

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## Expenditure Responsibility



Applicable to grants to organizations other than public charities described in sections 509(a)(1), (2) or (3) (other than non-functionally integrated Type III supporting organizations)



Generally requires that the private foundation:

- (1) undertake a pre-grant inquiry;
- (2) enter into a written grant agreement with the grantee;
- (3) obtain status reports at the end of the grantee's annual accounting period; and
- (4) report the grant to the IRS on Form 990-PF.



**Must include:**

- (i) The name and address of the grantee.
- (ii) The date and amount of the grant.
- (iii) The purpose of the grant.
- (iv) The amounts expended by the grantee (based upon the most recent report received from the grantee).
- (v) Whether the grantee has diverted any portion of the funds (or the income therefrom in the case of an endowment grant) from the purpose of the grant (to the knowledge of the grantor).
- (vi) The dates of any reports received from the grantee.
- (vii) The date and results of any verification of the grantee's reports undertaken by the grantor or by others at the direction of the grantor.



**Additional recordkeeping required (to be made available to IRS upon demand)**

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## Sample Expenditure Responsibility Report

Grantee Name and Address	Original Grant Total	Grant Dates

Grant Purpose:

- Progress made in accomplishing the above grant purpose (please attach additional pages if more space is needed):
- Itemization of expenditures made from grant funds, including salaries, travel and supplies:

Expenditure	Amount
Salary/Personnel	
Consultants	
Legal Fees	
Accounting Fees	
Travel, conferences and meetings	
Rent	
Utilities	
Supplies	
[Other Expense - Describe]	
[Other Expense - Describe]	
[Other Expense - Describe]	

3. Amount of grant funds unspent as of the end of Grantee's most recent fiscal year [Insert Date of FYE] (This Annual Report shall constitute Grantee's Final Report if all grant funds have been spent)

None.

-OR-

\$ \_\_\_\_\_

4. Grantee asserts that it has made all expenditures in furtherance of the stated purpose of the grant.

5. Grantee asserts that it has complied with all of the terms and conditions of the grant.

I declare that I am authorized to sign this report on behalf of the above organization, that I have examined the foregoing statements and to the best of my knowledge they are true, correct and complete:

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

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