

**Society of American Archivists Foundation  
Board of Directors Meeting  
March 13 – 14, 2015  
Chicago, Illinois**

**Funding and Distribution Guidelines for  
SAA Foundation Grants  
(Prepared by SAAF Treasurer Mark J. Duffy)**

This report is the outgrowth of a series of discussions held by the Society of American Archivists Foundation (SAAF) Board in preparation for a time when the SAAF could make funds available in the form of grants that advance the archives profession. The Board has achieved sufficient organizational strength in governance and fiscal accountability to allocate a portion of its revenues for grants according to a regularly reviewed funding formula and process.

**BACKGROUND**

At the Foundation Board's August 2014 meeting in Washington D.C., the Treasurer submitted a report in the form of a discussion document and covered the topics of a grant funding policy and a process for reviewing and evaluating applications. The Board provided feedback on the funding formula and expressed its preference to designate a set percentage of each year's interest from the unrestricted income on SAAF-controlled funds. Board members also gave feedback on the proposed application guidelines in the discussion document. Members' comments were incorporated in the proposal recommended in this report.

**DISCUSSION**

The Foundation's ability to consider opportunities to fund special projects depends on identifying an income stream and a process for evaluating proposals that advance the interests of the SAAF and support the professional goals and priorities of the Society of American Archivists (SAA), the corporate member. In its previous discussion, the Board agreed to the elements of a funding policy and guidelines for a grant process. The following proposed Grant Funding Policy and Grant Application Process and Guidelines are recommended for the Board's adoption.

**Society of American Archivists Foundation  
Grant Funding Policy**

Each year the SAA Foundation will make available for distribution a portion of the income from its investments for grant-making purposes. The total income available is realized on the principal of the funds that are available to the SAA Foundation.

The SAA Foundation Board of Directors will determine annually the percentage of income, or payout rate, to be distributed from its unrestricted funds. The annual payout percentage will be clearly stated for the benefit of Board members and donors. The Board may award money that has been set aside by this distribution.

The Board agrees to a standard formula for a payout rate that is relatively unchanged. The predictability of a standard payout rate provides the Board with planning assumptions and reasonable expectations for funding a grant program. An important consideration is that a conservative payout rate will allow a higher capital accumulation of the investment pool in the long term. To preserve the purchasing power of the invested funds, a range between 4 and 7% is typical, with a convergence at 5.5% on average for long-term preservation of the principal.

The Board agrees that a 5.5% payout rate is advisable in the first year of implementation (i.e., FY 2015). In accepting a 5.5% rate in the first fiscal year, the Board understands that it may:

- Maintain or change the payout rate in any future year;
- Designate the use of funds from principal to meet extraordinary requests or circumstances as they may arise;
- Accrue the available funding in one fiscal year to be made available to applicants in a succeeding grant period.

Funds available for distribution in the SAA Foundation grant program will be identified in the financial statements along with the performance of and returns on investments. Interest on funds that are restricted and/or under the management of SAA [the 501(c)(6) corporation] are not available for distribution. The SAA Foundation may also control restricted funds set aside for special purposes, such as the National Disaster Recovery Fund for Archives, which are governed by separate rules.

## **Society of American Archivists Foundation Grant Application Process and Guidelines**

Applications for grants will be considered and decided by the SAA Foundation Board of Directors. The program will be administered under the direction of the Executive Director in consultation with the Board and its designated review committee. The application and grant process will abide by general guidelines established by the Board.

### **Funding Priorities**

The Board will award grants that meet the mission and goals (<http://www2.archivists.org/foundation>) of the SAA Foundation and the [strategic planning](#) priorities of the Society of American Archivists. These statements provide a broad spectrum of possible ways to enhance the work of archivists and serve as guiding tools for the Board's fund-raising and grant-making activities. Applicants are encouraged to make direct reference to how an award of funds will advance one or more of the strategic goals of the SAA Foundation and/or the Society of American Archivists.

### **Funds Available**

The Board will encourage grant requests in amounts ranging from \$500 to \$3,000, although the SAAF will consider larger funding requests that could have an unusual impact on the profession. To set reasonable expectations for applicants, a range of typical grant awards will be publicized.

## Grant Application Process

The Board will endeavor to follow a transparent, fair, and simple process of application and evaluation. No Board member will participate in consideration of a grant application in which the member has, or could be perceived as having, a personal interest, benefit, or relationship that could create a conflict of interest. The Executive Director and the Board will use the following requirements as a guide for an application format and the decision-making process.

**Letter of Inquiry/Cover Letter:** The applicant will field an initial letter of inquiry to explore the appropriateness of a proposal to the SAAF's areas of interest. The letter should provide the SAAF with the following information and any additional information requested by the Executive Director to clarify the request.

- Brief overall description of the proposal in terms of the program, project, or idea being explored and the intended product of the funded activity.
- Description of how the proposal fits with the SAA Foundation's funding priorities, with specific reference to the SAAF's mission and vision and SAA's strategic planning priorities.
- Biographical statement or résumé of the principal applicant(s) and/or description of the sponsoring organization.
- Estimated project cost and amount of funds requested from the SAAF.

**Proposal Summary Form:** The Proposal Summary is a refined version of the letter of intent after an initial exchange, but it contains more detail on the substance of the activity and the outcome. It should be no longer than three pages. It should more clearly state:

- The goals and expected products/outcomes of the project.
- Ways in which the project advances the SAAF's mission and vision, or the archival profession with reference to SAA's strategic plan, or other professional call to action.
- Benchmarks and assessment criteria that will provide a measure of the impact and performance of the activity.

**Budget:** The total requested funds should be stated in the Summary Form and accompanied by a project budget. The project budget should indicate the specific allocation of requested funds by program activity or resource. In-kind contributions and other income sources should be identified to demonstrate the capacity for program completion. Applications should include a standard statement of income and expense and brief narrative description of account lines being funded by the proposed SAAF grant.

**Due Diligence Attachments:** The SAAF Board may optionally require one or more of the following additional documents to evaluate an organization's ability to carry out the activities described in the proposal:

- Résumé(s) of supporting personnel.
- Financial reports or audited statements.
- Determination letter re 501(c)(3) status.
- List of trustees or directors.
- Annual report and/or Form 990 or 990EZ.
- Diversity Data Form.

## Eligibility

Individuals, groups, and organizations are eligible to apply for an SAAF grant. Among the categories of applicants who are encouraged to apply are practicing archivists, SAA component groups, other organizations of archivists, and allied professionals.

### **Grant Timing**

The SAAF follows a July 1 to June 30 fiscal year cycle. The Board normally will adopt the budget by June 1 of the preceding year. To be fairly considered by the Board, all grant proposals should be submitted between September 1 and April 1. The Board reserves the right to consider a proposal at any time for unusual or special circumstances, and for similar reasons may streamline the grant request process to address an urgent need.

### **Decisions**

All grant applications will be received and processed by the SAA Foundation's Executive Director. The Executive Director will conduct an initial review of the Letter of Inquiry to determine if the application: (a) warrants consideration for funding according to the Board's guidelines, or (b) does not fall within the mission, resources, or granting priorities of the SAA Foundation. The Executive Director, in consultation with the Finance Committee or other appointed committee of the Board, will advise the applicant of the need for additional information in the form of a Proposal Summary Form. The review committee will present grant requests to the Board with or without recommendation. All grant awards will be decided by majority vote of the Board of Directors.

The Board normally will consider grant applications between April 1 and June 1. The SAAF President will notify applicants of the Board's decision by June 15 in any budgetary year. An annual report on the disposition of all inquiries and proposals will be made to the Board, and all awarded grants will be reported to the SAA Foundation's donors and SAA members. The Board will make itself available to advise the Executive Director as questions or special circumstances arise about specific proposals.

## **RECOMMENDATIONS**

**THAT the proposed SAA Foundation Grant Funding Policy be adopted; and**

**THAT the proposed SAA Foundation Grant Application Process and Guidelines be adopted; and**

**THAT a FY 2015 payout rate of 5.5% on the interest of unrestricted income (as it becomes available to the SAA Foundation for the purposes of distribution) be adopted, with an understanding that the Board may, but is not required to, expend these funds in FY 2015 and may decide to accrue any portion of undesignated funds for future distribution.**

**Support Statement:** The Board has expressed its firm desire to place the SAA Foundation in a position organizationally and financially to begin investing in worthwhile, strategic initiatives to enhance the archives profession. The SAA Foundation has achieved the financial stability and governance structures to begin a grant program. The Board has the benefit of tapping into the SAA Council's strategic planning process to identify goals and activities that can reliably guide their decision-making.

With these assurances in place, the Board seeks to fulfill its duty to Foundation donors by funding special programs and projects.

The grant program is recognized as an important element in the SAA Foundation's ability to market its fund-raising activities effectively. The importance of donors' gifts is magnified by projects that demonstrate a real impact on the profession or society's image of the profession. The demonstrated use of SAAF funds to enable individuals and groups to find creative approaches to strategic issues can redound to the SAA Foundation by way of increased interest in giving. The proposed Funding Policy and Grant Process Guidelines offer the SAA Foundation an administrative platform to begin exploring these new opportunities.

**Fiscal Impact:** The financial impact of this action will be to remove a certain amount (no more than 5.5% in the first year) of the interest on invested income from the principal that would otherwise accrue value in future years. Other costs will be recognized in reimbursing SAA for the staff's administrative time to receive inquiries, prepare materials for review, communicate with applicants, monitor the distribution of funds, and report on these activities to the Board.