

the Ford Foundation (the world's largest funded foundation) has perhaps the grant program that could be best applied to smaller foundations. We recommend that, if any foundation uses the methods suggested by the Ford Foundation, such a grant program would meet little or no questioning from any regulating government. In your Exhibit you will find the seven steps that are recommended by the Ford Foundation in establishing the proper processing of a grant program. We will discuss each of these steps in detail.

1. A detailed stated program for the grant should be created by the executive director and approved by the board of directors. This program may be very broad or very limited depending upon the desires of the board of directors. We suggest that a broad program provides more flexibility and less red tape.

Several examples of existing grant programs, both of members and non-members, should be included as an exhibit and perhaps a "model" grant program might be drafted.