

## FOR PUBLIC DISCLOSURE

EXTENDED TO JUNE 15, 2020

Form **990**Department of the Treasury  
Internal Revenue Service

## Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**Open to Public  
Inspection

A For the 2018 calendar year, or tax year beginning AUG 1, 2018 and ending JUL 31, 2019

B Check if applicable:

- ☐ Address change  
☐ Name change  
☐ Initial return  
☐ Final return/terminated  
☐ Amended return  
☐ Application pending

## C Name of organization

NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

Doing business as THE RECORDING ACADEMY

Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
3030 OLYMPIC BOULEVARDCity or town, state or province, country, and ZIP or foreign postal code  
SANTA MONICA, CA 90404-5073F Name and address of principal officer: WAYNE J. ZAHNER  
SAME AS C ABOVE

## D Employer identification number

95-6052058

## E Telephone number

(310) 392-3777

G Gross receipts \$ 151,277,645.

## H(a) Is this a group return

for subordinates? ☐ Yes ☒ NoH(b) Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

## H(c) Group exemption number

I Tax-exempt status: ☐ 501(c)(3) ☒ 501(c)( 6 ) (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: WWW.GRAMMY.COM

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation: 1987

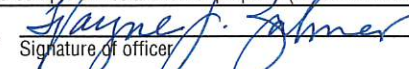
M State of legal domicile: DE

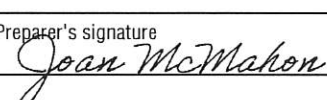
## Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: OUR MISSION IS TO ADVANCE THE ARTS AND SCIENCES OF RECORDING AND TO FOSTER CREATIVE LEADERSHIP.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	44
	4	Number of independent voting members of the governing body (Part VI, line 1b)	44
	5	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	186
	6	Total number of volunteers (estimate if necessary)	500
	Revenue	7a	Total unrelated business revenue from Part VIII, column (C), line 12
7b		Net unrelated business taxable income from Form 990-T, line 38	-108,421.
Expenses	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 1,651,223. Current Year: 1,724,516.
	9	Program service revenue (Part VIII, line 2g)	88,819,294. 82,984,592.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,233,107. 4,728,033.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,451,851. 2,186,223.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	96,155,475. 91,623,364.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	6,011,975. 8,199,132.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	22,284,658. 22,435,427.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	0.
Net Assets or Fund Balances	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	61,592,213. 59,936,549.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	89,888,846. 90,571,108.
	19	Revenue less expenses. Subtract line 18 from line 12	6,266,629. 1,052,256.
	20	Total assets (Part X, line 16)	Beginning of Current Year: 138,704,299. End of Year: 138,315,613.
21	Total liabilities (Part X, line 26)	23,702,924. 24,055,850.	
22	Net assets or fund balances. Subtract line 21 from line 20	115,001,375. 114,259,763.	

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here:  Signature of officer: WAYNE J. ZAHNER, CHIEF FINANCIAL OFFICER Date: 07/13/2020

Paid Preparer: Print/Type preparer's name: JOAN S. MCMAHON Preparer's signature:  Date: 7/8/20 Check if self-employed: ☐ PTIN: P00966494

Use Only: Firm's name: DELOITTE TAX LLP Firm's EIN: 86-1065772 Firm's address: 555 MISSION STREET SAN FRANCISCO, CA 94105 Phone no. (415) 783-4000

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

# FOR PUBLIC DISCLOSURE

Form **8868**  
(Rev. January 2019)

## Application for Automatic Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

Department of the Treasury  
Internal Revenue Service

► **File a separate application for each return.**  
► **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print  File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES, INC.	Employer identification number (EIN) or  95-6052058
	Number, street, and room or suite no. If a P.O. box, see instructions. 3030 OLYMPIC BOULEVARD	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SANTA MONICA, CA 90404-5073	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

WAYNE J. ZAHNER

• The books are in the care of ► 3030 OLYMPIC BOULEVARD - SANTA MONICA, CA 90404-5073  
Telephone No. ► (310) 392-3777 Fax No. ►

• If the organization does not have an office or place of business in the United States, check this box ☐   
• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until JUNE 15, 2020 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
► ☐ calendar year \_\_\_\_\_ or  
► ☒ tax year beginning AUG 1, 2018 , and ending JUL 31, 2019 .

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return  
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

Form **8868** (Rev. 1-2019)



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Form 990 (2018)

ARTS & SCIENCES, INC.

95-6052058

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## Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

☒ X

**1** Briefly describe the organization's mission:

OUR MISSION IS TO ADVANCE THE ARTS AND SCIENCES OF RECORDING AND TO  
FOSTER CREATIVE LEADERSHIP FOR ARTISTIC, CULTURAL, EDUCATIONAL, AND  
TECHNICAL PROGRESS IN THE RECORDING FIELD. A PRIMARY ACTIVITY OF THE  
RECORDING ACADEMY IS THE RECOGNITION OF OUTSTANDING CREATIVE AND

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ 0. including grants of \$ 0. ) (Revenue \$ 0. )

THE RECORDING ACADEMY PRODUCES THE GRAMMY AWARDS, THE ONLY  
PEER-PRESENTED AWARD TO HONOR ARTISTIC ACHIEVEMENT, TECHNICAL  
PROFICIENCY AND EXCELLENCE IN THE RECORDING INDUSTRY, WITHOUT REGARD TO  
ALBUM SALES OR CHART POSITION.

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses ►

Form **990** (2018)

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ARTS & SCIENCES, INC.

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## Part IV Checklist of Required Schedules

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		X
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	X	
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	N/A	
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	X	
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	X	
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	



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NATIONAL ACADEMY OF RECORDING

ARTS & SCIENCES, INC.

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## Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	N/A	
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	N/A	
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	X	
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	N/A	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

## Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

X

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	



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ARTS & SCIENCES, INC.

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## Part V Statements Regarding Other IRS Filings and Tax Compliance *(continued)*

			Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b>	186		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			X	
<b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?			X	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O			X	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?				X
<b>b</b> If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?				X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?				X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T?				
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			X	
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			X	
<b>7 Organizations that may receive deductible contributions under section 170(c).</b> N/A				
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?				
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?				
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?				
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>			
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?				
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			N/A	
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			N/A	
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?				
<b>9 Sponsoring organizations maintaining donor advised funds.</b>				
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?				
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?				
<b>10 Section 501(c)(7) organizations.</b> Enter:				
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12		N/A		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities				
<b>11 Section 501(c)(12) organizations.</b> Enter:				
<b>a</b> Gross income from members or shareholders		N/A		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)				
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?				
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year		N/A		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>				
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state?				
<b>Note.</b> See the instructions for additional information the organization must report on Schedule O.				
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans				
<b>c</b> Enter the amount of reserves on hand				
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?				X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O				
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?			X	
If "Yes," see instructions and file Form 4720, Schedule N.				
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income?				X
If "Yes," complete Form 4720, Schedule O.				

Form **990** (2018)



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

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**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒ X

**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year ..... <b>1a</b> 44		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent ..... <b>1b</b> 44		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? ..... <b>2</b>	X	
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? ..... <b>3</b>		X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? ..... <b>4</b>		X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? ..... <b>5</b>		X
<b>6</b> Did the organization have members or stockholders? ..... <b>6</b>	X	
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? ..... <b>7a</b>	X	
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? ..... <b>7b</b>		X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? ..... <b>8a</b>	X	
<b>b</b> Each committee with authority to act on behalf of the governing body? ..... <b>8b</b>	X	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O ..... <b>9</b>		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates? ..... <b>10a</b>	X	
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? ..... <b>10b</b>	X	
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? ..... <b>11a</b>	X	
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 ..... <b>12a</b>	X	
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? ..... <b>12b</b>	X	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done ..... <b>12c</b>	X	
<b>13</b> Did the organization have a written whistleblower policy? ..... <b>13</b>	X	
<b>14</b> Did the organization have a written document retention and destruction policy? ..... <b>14</b>	X	
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official ..... <b>15a</b>	X	
<b>b</b> Other officers or key employees of the organization ..... <b>15b</b>		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? ..... <b>16a</b>		X
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? ..... <b>16b</b>		

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed **CA, IL, NY**

**18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

**19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, address, and telephone number of the person who possesses the organization's books and records **▶**  
**WAYNE J. ZAHNER - (310) 392-3777**  
**3030 OLYMPIC BOULEVARD, SANTA MONICA, CA 90404-5073**



# FOR PUBLIC DISCLOSURE

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## Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

### Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) NEIL PORTNOW PRESIDENT/CEO	40.00 1.20			X				1,174,972.	0.	130,607.
(2) DARYL FRIEDMAN CHIEF INDUSTRY, GOVT & MEM	40.00				X			454,126.	0.	34,764.
(3) BRANDEN CHAPMAN EXEC IN CHARGE PROD/CBDO	40.00 1.20				X			427,317.	0.	31,939.
(4) WAYNE ZAHNER CHIEF FINANCIAL OFFICER	40.00 1.20			X				393,697.	0.	23,536.
(5) EVAN GREENE CHIEF MARKETING OFFICER	40.00				X			601,636.	0.	42,804.
(6) WILLIAM FREIMUTH VP AWARDS	40.00				X			333,824.	0.	34,939.
(7) GAETANO FRIZZI CHIEF PEOPLE & CULTURE OFFICER	40.00					X		304,323.	0.	26,527.
(8) RICHARD ENGDAHL CHIEF INFORMATION OFFICER	40.00					X		299,878.	0.	23,860.
(9) NEDA AZARFAR VP MARKETING COMMUNICATION	40.00					X		260,232.	0.	17,188.
(10) LAURA SEGURA VP MEMBERSHIP & INDUSTRY RELATIONS	40.00					X		218,166.	0.	47,620.
(11) JASON JAMES CHIEF DIGITAL OFFICER	40.00					X		277,496.	0.	25,901.
(12) ANN MINCIELI TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(13) BOOKER T. JONES TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(14) BRIAN DECK TRUSTEE	1.00	X						0.	0.	0.
(15) CARL WALKER TRUSTEE	1.00	X						0.	0.	0.
(16) CARLOS ALVAREZ TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(17) CATHERINE HARRIS-WHITE TRUSTEE	1.00	X						0.	0.	0.



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**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) CHRISTINE ALBERT CHAIR EMERITUS	1.00	X						0.	0.	0.
(19) CLAUDIA MENKARSKI (BRANDT) TRUSTEE	1.00	X						0.	0.	0.
(20) DARRELL BROWN TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(21) DAVID MESSIER TRUSTEE	1.00	X						0.	0.	0.
(22) EMILY LAZAR TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(23) ERIC SCHILLING TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(24) FLETCHER FOSTER TRUSTEE	1.00	X						0.	0.	0.
(25) GEORGE FLANIGEN, IV TRUSTEE	1.00	X						0.	0.	0.
(26) GINO ROBAIR TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
<b>1b Sub-total</b>								4,745,667.	0.	439,685.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								4,745,667.	0.	439,685.

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 50

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
AEG EHRLICH VENTURES, LLC 4355 LANAI ROAD, ENCINO, CA 91436	EVENT PRODUCTION	17,822,438.
THE JOE LEWIS COMPANY, INC, 1209 MANHATTAN AVENUE, #19, MANHATTAN BEACH, CA 90266	EVENT PRODUCTION	2,132,224.
GREENBERG TRAUIG, LLP, 3333 PIEDMONT ROAD NE, #2500, ATLANTA, GA 30305	LEGAL SERVICES	1,472,364.
TBWA CHIAT DAY 5353 GROSVENOR BLVD, LOS ANGELES, CA 90066	ADVERTISING	1,192,318.
PROSKAUER ROSE LLP, 2049 CENTURY PARK EAST, LOS ANGELES, CA 90067	LEGAL SERVICES	1,035,240.

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 57

SEE PART VII, SECTION A CONTINUATION SHEETS

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**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) HARVEY MASON CHAIR (FR 6/19)/TRUSTEE (TO 5/19)	5.00	X						0.	0.	0.
(28) IVAN BARIAS TRUSTEE	1.00	X						0.	0.	0.
(29) JEFF BALDING TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(30) JEFF LEVENSON TRUSTEE	1.00	X						0.	0.	0.
(31) JOHN BURK TRUSTEE	1.00	X						0.	0.	0.
(32) JOHN HOPKINS TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(33) JOHN POPPO NATIONAL CHAIR (TO 5/31/19)	5.00	X						0.	0.	0.
(34) JONATHAN MCREYNOLDS TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(35) JORGE MEJIA TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(36) JULIA MICHELS TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(37) JUSTIN ROBERTS TRUSTEE	1.00	X						0.	0.	0.
(38) KEN SHEPHERD TRUSTEE	1.00	X						0.	0.	0.
(39) LALAH HATHAWAY TRUSTEE	1.00	X						0.	0.	0.
(40) LEE LEVIN TRUSTEE	1.00	X						0.	0.	0.
(41) LESLIE ANN JONES TRUSTEE	1.00	X						0.	0.	0.
(42) MATT HENNESSY TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(43) MATT STILL TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(44) MICHAEL ROMANOWSKI TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(45) MIKE KNOBLOCH TRUSTEE	1.00	X						0.	0.	0.
(46) MINDI ABAIR TRUSTEE	1.00	X						0.	0.	0.
Total to Part VII, Section A, line 1c										



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**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(47) NICK PHILLIPS TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(48) NILE RODGERS TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(49) OMMAS GRAHAM TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(50) PAUL SLAYTON TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(51) PIPER PAYNE TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(52) RICHARD BUTLER TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(53) RICHARD STUMPF TRUSTEE	1.00	X						0.	0.	0.
(54) RIGGS MORALES TRUSTEE	1.00	X						0.	0.	0.
(55) RUBY MARCHAND VICE CHAIR (TO 5/31/19)	5.00	X						0.	0.	0.
(56) SAMANTHA COX TRUSTEE (FROM 6/1/19)	1.00	X						0.	0.	0.
(57) SCOTT BILLINGTON TRUSTEE	1.00	X						0.	0.	0.
(58) SHANNON SANDERS TRUSTEE	1.00	X						0.	0.	0.
(59) SUE ENNIS TRUSTEE	1.00	X						0.	0.	0.
(60) TAMMY HURT V.C. (FR 6/19)/TRUSTEE (TO 5/19)	5.00	X						0.	0.	0.
(61) TERESA LABARBERA TRUSTEE (TO 5/31/19)	1.00	X						0.	0.	0.
(62) TERRI LYNE CARRINGTON TRUSTEE	1.00	X						0.	0.	0.
(63) TERRY HEMMINGS SECRETARY/TREASURER	1.00	X						0.	0.	0.
(64) TERRY JONES TRUSTEE	1.00	X						0.	0.	0.
(65) TIM PALMER TRUSTEE	1.00	X						0.	0.	0.
(66) TRACY GERSHON TRUSTEE	1.00	X						0.	0.	0.
Total to Part VII, Section A, line 1c										

<b>Part VII</b>	<b>Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</b> <i>(continued)</i>
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## Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b	1,512,619.			
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	211,897.			
	g	Noncash contributions included in lines 1a-1f: \$		211,897.			
	h	Total. Add lines 1a-1f		1,724,516.			
Program Service Revenue	Business Code						
	2 a	TELECAST EVENT INCOME	900099	57,875,538.			57,875,538.
	b	SPONSORSHIP INCOME	711130	12,714,851.		106,039.	12,608,812.
	c	GRAMMY TICKET SALES	711130	11,748,912.	11,748,912.		
	d	PUBLICATION INCOME	711130	465,289.	465,289.		
	e	NARAS RELATED EVENTS	541800	180,002.	180,002.		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		82,984,592.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		5,054,817.			5,054,817.
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties		1,721,494.			1,721,494.
	6 a	Gross rents	(i) Real (ii) Personal				
		b	Less: rental expenses				
		c	Rental income or (loss)				
		d	Net rental income or (loss)				
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
		b	Less: cost or other basis and sales expenses				
		c	Gain or (loss)				
		d	Net gain or (loss)		-326,784.		-326,784.
	8 a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a				
		b	Less: direct expenses	b			
		c	Net income or (loss) from fundraising events				
	9 a	Gross income from gaming activities. See Part IV, line 19	a				
		b	Less: direct expenses	b			
		c	Net income or (loss) from gaming activities				
	10 a	Gross sales of inventory, less returns and allowances	a				
		b	Less: cost of goods sold	b			
		c	Net income or (loss) from sales of inventory				
Miscellaneous Revenue			Business Code				
11 a	OTHER INCOME	900099	352,137.	352,137.			
b	FILM CLIP INCOME	900099	103,001.			103,001.	
c	ANNUITY INCOME	900099	9,591.			9,591.	
d	All other revenue						
e	Total. Add lines 11a-11d		464,729.				
12	Total revenue. See instructions		91,623,364.	12,746,340.	106,039.	77,046,469.	



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## Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>				
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	8,168,632.			
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22	30,500.			
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	4,394,180.			
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	13,717,666.			
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	678,990.			
<b>9</b> Other employee benefits	2,416,982.			
<b>10</b> Payroll taxes	1,227,609.			
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management				
<b>b</b> Legal	4,522,077.			
<b>c</b> Accounting	447,447.			
<b>d</b> Lobbying	150,350.			
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees	659,315.			
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	5,103,371.			
<b>12</b> Advertising and promotion	3,103,847.			
<b>13</b> Office expenses	2,225,347.			
<b>14</b> Information technology	2,236,677.			
<b>15</b> Royalties				
<b>16</b> Occupancy	4,915,793.			
<b>17</b> Travel	3,302,925.			
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	1,492,785.			
<b>20</b> Interest				
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	521,615.			
<b>23</b> Insurance	332,265.			
<b>24</b> Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> EVENT PRODUCTION	23,133,229.			
<b>b</b> EVENT EXPENSES	6,962,775.			
<b>c</b> ENTERTAINMENT	690,895.			
<b>d</b> MISCELLANEOUS	135,836.			
<b>e</b> All other expenses				
<b>25</b> Total functional expenses. Add lines 1 through 24e	90,571,108.			
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)



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## Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	1,700.	<b>1</b>	1,584.
	<b>2</b> Savings and temporary cash investments .....	10,209,848.	<b>2</b>	8,239,829.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	1,189,288.	<b>4</b>	1,603,221.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	4,400,389.	<b>9</b>	3,939,586.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	9,364,450.		
	<b>b</b> Less: accumulated depreciation .....	7,116,570.		
		2,644,812.	<b>10c</b>	2,247,880.
	<b>11</b> Investments - publicly traded securities .....	80,446,792.	<b>11</b>	87,064,143.
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	16,957,274.	<b>12</b>	13,965,607.
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....		<b>14</b>	
<b>15</b> Other assets. See Part IV, line 11 .....	22,854,196.	<b>15</b>	21,253,763.	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	138,704,299.	<b>16</b>	138,315,613.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	4,671,084.	<b>17</b>	5,034,064.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	18,309,994.	<b>19</b>	18,146,356.
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	721,846.	<b>25</b>	875,430.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	23,702,924.	<b>26</b>	24,055,850.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets .....	115,001,375.	<b>27</b>	114,259,763.
	<b>28</b> Temporarily restricted net assets .....		<b>28</b>	
	<b>29</b> Permanently restricted net assets .....		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds .....		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>32</b>	
	<b>33</b> <b>Total net assets or fund balances</b> .....	115,001,375.	<b>33</b>	114,259,763.
	<b>34</b> <b>Total liabilities and net assets/fund balances</b> .....	138,704,299.	<b>34</b>	138,315,613.

Form **990** (2018)

# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

ARTS & SCIENCES, INC.

Form 990 (2018)

95-6052058

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## Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☐

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	91,623,364.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	90,571,108.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	1,052,256.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	115,001,375.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-1,793,868.
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	114,259,763.

## Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☒

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>2a</b>	X
<b>b</b>	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>2b</b>	X
<b>c</b>	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	<b>2c</b>	X
<b>3a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____	<b>3a</b>	X
<b>b</b>	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____	<b>3b</b>	

Form **990** (2018)



# FOR PUBLIC DISCLOSURE

## SCHEDULE C (Form 990 or 990-EZ)

## Political Campaign and Lobbying Activities

OMB No. 1545-0047

**2018**

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527  
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**  
▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

**If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

**If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

**If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then**

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization **NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.**

Employer identification number  
**95-6052058**

### Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political campaign activity expenditures ..... ▶ \$

3 Volunteer hours for political campaign activities .....

### Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ..... ▶ \$

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ..... ▶ \$

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV.

### Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ..... ▶ \$ **7,723.**

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527  
exempt function activities ..... ▶ \$

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL,  
line 17b ..... ▶ \$ **7,723.**

4 Did the filing organization file Form 1120-POL for this year? ☐ Yes ☒ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2018

LHA

832041 11-08-18

# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule C (Form 990 or 990-EZ) 2018 ARTS & SCIENCES, INC.

95-6052058

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**Part II-A** Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
<b>1 a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying) .....														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) .....														
<b>d</b> Other exempt purpose expenditures .....														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) .....														
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) .....														
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- .....														
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- .....														
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....														

☐ Yes ☐ No

**4-Year Averaging Period Under Section 501(h)**  
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2018



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule C (Form 990 or 990-EZ) 2018 ARTS & SCIENCES, INC.

95-6052058

Page 3

**Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers?			
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
<b>c</b> Media advertisements?			
<b>d</b> Mailings to members, legislators, or the public?			
<b>e</b> Publications, or published or broadcast statements?			
<b>f</b> Grants to other organizations for lobbying purposes?			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
<b>i</b> Other activities?			
<b>j</b> Total. Add lines 1c through 1i			
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

**Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

	Yes	No
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?		X
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?		X
<b>3</b> Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	X	

**Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."**

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>	1,512,619.
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year	<b>2a</b>	840,619.
<b>b</b> Carryover from last year	<b>2b</b>	268,188.
<b>c</b> Total	<b>2c</b>	1,108,807.
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	822,887.
<b>4</b> If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	<b>4</b>	285,920.
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>	

**Part IV Supplemental Information**

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

PART I-A, LINE 1:

THE RECORDING ACADEMY, FROM TIME TO TIME, HAS PAID FOR EXPENSES WHERE

EVENTS ARE RAISING MONEY FOR THE GRAMMY FUND FOR MUSIC CREATORS, A

RELATED POLITICAL ACTION COMMITTEE.

# FOR PUBLIC DISCLOSURE

## SCHEDULE D (Form 990)

Department of the Treasury  
Internal Revenue Service

## Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**  
Open to Public  
Inspection

Name of the organization NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

Employer identification number  
95-6052058

### Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

### Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

### Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1	▶ \$
(ii) Assets included in Form 990, Part X	▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1	▶ \$
b Assets included in Form 990, Part X	▶ \$

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2018

832051 10-29-18



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule D (Form 990) 2018

ARTS & SCIENCES, INC.

95-6052058

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## Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

**3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a** ☐ Public exhibition

**b** ☐ Scholarly research

**c** ☐ Preservation for future generations

**d** ☐ Loan or exchange programs

**e** ☐ Other \_\_\_\_\_

**4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

**5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

## Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
<b>1c</b> Beginning balance	
<b>1d</b> Additions during the year	
<b>1e</b> Distributions during the year	
<b>1f</b> Ending balance	

**2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

## Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance	80,446,791.	75,976,177.	65,009,235.	57,891,733.	51,670,203.
<b>b</b> Contributions	4,500,000.	750,169.	4,800,011.	7,186,805.	5,972,154.
<b>c</b> Net investment earnings, gains, and losses	2,776,667.	4,347,271.	6,741,834.	416,680.	706,545.
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs					
<b>f</b> Administrative expenses	659,315.	626,826.	574,903.	485,983.	457,169.
<b>g</b> End of year balance	87,064,143.	80,446,791.	75,976,177.	65,009,235.	57,891,733.

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment 100.00 %
- b** Permanent endowment %
- c** Temporarily restricted endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** unrelated organizations \_\_\_\_\_
- (ii)** related organizations \_\_\_\_\_

	Yes	No
<b>3a(i)</b>	X	
<b>3a(ii)</b>		X
<b>3b</b>		

**b** If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? \_\_\_\_\_

**4** Describe in Part XIII the intended uses of the organization's endowment funds.

## Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land				
<b>b</b> Buildings				
<b>c</b> Leasehold improvements		5,515,031.	3,517,236.	1,997,795.
<b>d</b> Equipment		3,828,413.	3,578,328.	250,085.
<b>e</b> Other		21,006.	21,006.	0.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				2,247,880.

Schedule D (Form 990) 2018

# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule D (Form 990) 2018

ARTS & SCIENCES, INC.

95-6052058

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## Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)	13,965,607.	COST
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	13,965,607.	

## Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

## Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) DUE FROM NARAS PROPERTIES, INC.	15,307,320.
(2) DUE FROM LATIN ACADEMY OF RECORDING ARTS & SCIENCES, INC.	701,168.
(3) ROYALTY RECEIVABLE DUE FROM LATIN ACADEMY OF RECORDING ARTS & SCIENCES, INC.	1,173,178.
(4) DUE FROM MUSICARES FOUNDATION, INC.	1,135,610.
(5) OTHER RETIREMENT LIABILITY - 457(B)	326,291.
(6) DUE FROM THE LATIN GRAMMY CULTURAL FOUNDATION	3,091.
(7) DUE FROM GRAMMY MUSEUM FOUNDATION, INC.	2,605,176.
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	21,253,763.

## Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) OTHER RETIREMENT LIABILITY - 457(B)	326,291.
(3) NON QUALIFIED PENSION LIABILITY	549,139.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	875,430.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Schedule D (Form 990) 2018



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule D (Form 990) 2018

ARTS & SCIENCES, INC.

95-6052058

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## Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1 Total revenue, gains, and other support per audited financial statements		<b>1</b>	
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a Net unrealized gains (losses) on investments	2a		
b Donated services and use of facilities	2b		
c Recoveries of prior year grants	2c		
d Other (Describe in Part XIII.)	2d		
e Add lines 2a through 2d		<b>2e</b>	
3 Subtract line 2e from line 1		<b>3</b>	
4 Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b Other (Describe in Part XIII.)	4b		
c Add lines 4a and 4b		<b>4c</b>	
5 Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		<b>5</b>	

## Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1 Total expenses and losses per audited financial statements		<b>1</b>	
2 Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a Donated services and use of facilities	2a		
b Prior year adjustments	2b		
c Other losses	2c		
d Other (Describe in Part XIII.)	2d		
e Add lines 2a through 2d		<b>2e</b>	
3 Subtract line 2e from line 1		<b>3</b>	
4 Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b Other (Describe in Part XIII.)	4b		
c Add lines 4a and 4b		<b>4c</b>	
5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		<b>5</b>	

## Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4:

THE INTENDED PURPOSE OF THE ENDOWMENT FUND IS TO EVENTUALLY USE ITS

INVESTMENT INCOME TOWARDS OPERATIONS IN PROMOTION OF THE MISSION AND

GROWTH OF THE RECORDING ACADEMY AS WELL AS PROVIDE OPERATIONAL SUPPORT IN

CASE OF A CATASTROPHIC EVENT.

PART X, LINE 2:

THE RECORDING ACADEMY ACCOUNTS FOR INCOME TAXES IN ACCORDANCE WITH

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ACCOUNTING STANDARDS

CODIFICATION (ASC) 740, INCOME TAXES. FASB ASC 740 PRESCRIBES A

COMPREHENSIVE MODEL FOR HOW A COMPANY SHOULD RECOGNIZE, MEASURE, PRESENT,

AND DISCLOSE IN ITS COMBINED FINANCIAL STATEMENTS UNCERTAIN TAX POSITIONS

# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule D (Form 990) 2018

ARTS & SCIENCES, INC.

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## Part XIII Supplemental Information (continued)

THAT THE COMPANY HAS TAKEN, OR EXPECTS TO TAKE, ON A TAX RETURN, DURING

THE YEARS ENDED JULY 31, 2019 AND 2018, THE RECORDING ACADEMY DID NOT HAVE

ANY LIABILITY FOR UNRECOGNIZED TAX BENEFITS.

### PART IX

DUE FROM NARAS PROPERTIES, INC.:

ON DECEMBER 21, 2016 NARAS PROPERTIES, INC. PURCHASED A RESIDENTIAL

PROPERTY IN NEW YORK CITY, NEW YORK ON BEHALF OF THE RECORDING ACADEMY, A

RELATED TAX-EXEMPT ORGANIZATION THAT IS THE CONTROLLING ENTITY OF NARAS

PROPERTIES, INC., TO BE USED BY THE RECORDING ACADEMY AND ITS AFFILIATED

TAX EXEMPT ORGANIZATIONS. THE PROPERTY IS IN THE PROCESS OF BEING PREPARED

FOR COMMERCIAL USE.



NATIONAL ACADEMY OF RECORDING

ARTS &amp; SCIENCES, INC.

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<b>Part IX</b>	<b>Other Assets.</b> See Form 990, Part X, line 15.
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Schedule D (Form 990)

# FOR PUBLIC DISCLOSURE

## SCHEDULE I (Form 990)

Department of the Treasury  
Internal Revenue Service

### Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2018**

Open to Public  
Inspection

Name of the organization **NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.**

Employer identification number  
95-6052058

#### Part I General information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

#### Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
GRAMMY MUSEUM FOUNDATION, INC 800 WEST OLYMPIC BOULEVARD A245 LOS ANGELES, CA 90015	26-1447714	501(C)(3)	4,437,973.	24,300. FMV		GRAMMY AND OTHER EVENT TICKETS	CONTRIBUTIONS AND PROGRAM SERVICE SUPPORT
MUSICARES FOUNDATION, INC. 3030 OLYMPIC BOULEVARD SANTA MONICA, CA 90404	95-4470909	501(C)(3)	3,081,248.	289,581. FMV		GRAMMY AND OTHER EVENT TICKETS, AND RENT	CONTRIBUTIONS AND PROGRAM SERVICE SUPPORT
LATIN GRAMMY CULTURAL FOUNDATION, INC. - 3470 NW 82ND AVENUE, SUITE 700 - MIAMI, FL 33122	46-4770436	501(C)(3)	150,000.	0. FMV			GENERAL SUPPORT
SONGWRITERS HALL OF FAME 330 WEST 58TH STREET #411 NEW YORK, NY 10019	23-7051690	501(C)(3)	28,300.	0. FMV			GENERAL SUPPORT
CITY OF HOPE 1500 EAST DUARTE ROAD DUARTE, CA 91010	95-3435919	501(C)(3)	18,650.	0. FMV			GENERAL SUPPORT
MUSIC EDUCATION COALITION, INC 202 WASHINGTON STREET, SUITE 322 BROOKLINE, NY 02445	81-4015913	501(C)(3)	50,000.	0. FMV			GENERAL SUPPORT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **6.**

3 Enter total number of other organizations listed in the line 1 table **0.**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2018)



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

ARTS & SCIENCES, INC.

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Schedule I (Form 990) (2018)

**Part III** Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
SCHOLARSHIPS	6	30,500.	0.	CASH VALUE	

**Part IV** Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

PART I, LINE 2:

CHAPTERS OF THE RECORDING ACADEMY MAKE DONATIONS TO VARIOUS CHARITABLE

ORGANIZATIONS IN THEIR RESPECTIVE COMMUNITIES. THE CHAPTERS, EITHER THROUGH

THEIR LOCAL CHARITABLE GIVING COMMITTEE OR LOCAL EXECUTIVE COMMITTEE, PUT

FORTH A PROPOSAL FOR THE LOCAL CHAPTER BOARD TO APPROVE DONATIONS OF THEIR

SPECIAL PROJECT FUNDS TO BE USED FOR THIS PURPOSE. THESE FUNDS ARE THE

ACCUMULATION OF FUNDS BASED ON EVENTS HELD AT THE LOCAL LEVEL. THESE

CHAPTER-APPROVED DISBURSEMENTS OVER \$2,500 ARE THEN SENT TO THE NATIONAL

FINANCE SUBCOMMITTEE FOR FINAL APPROVAL. A PRESENTATION IS MADE DISCLOSING

## NATIONAL ACADEMY OF RECORDING

Schedule I (Form 990)

ARTS &amp; SCIENCES, INC.

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Page 2

<b>Part IV</b>	<b>Supplemental Information</b>
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INFORMATION ABOUT THE BENEFICIARY, ITS TAX-EXEMPT STATUS, THE NATURE OF THE

USE OF THE FUNDS AND OTHER PERTINENT INFORMATION. THE FINANCE SUBCOMMITTEE

APPROVES ALL DONATIONS OVER \$2,500. THE NATIONAL HEADQUARTERS OF THE

RECORDING ACADEMY SPONSORS VARIOUS CHARITIES IN THE COMMUNITIES IT SERVES

THROUGH PURCHASES OF TABLES AT EVENTS AND/OR ADVERTISEMENTS IN PROGRAM

BOOKS AND FROM TIME-TO-TIME MINIMAL CASH DONATIONS. THE RECORDING ACADEMY

PROVIDES ASSISTANCE TO ITS AFFILIATED ENTITIES: MUSICARES FOUNDATION, INC.,

GRAMMY MUSEUM FOUNDATION, INC., AND LATIN GRAMMY CULTURAL FOUNDATION.



# FOR PUBLIC DISCLOSURE

## SCHEDULE J (Form 990)

Department of the Treasury  
Internal Revenue Service

## Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

# 2018

Open to Public  
Inspection

Name of the organization	NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES, INC.	Employer identification number	95-6052058
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### Part I Questions Regarding Compensation

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> First-class or charter travel  | <input type="checkbox"/> Housing allowance or residence for personal use   |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence   |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees     |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2	X	
4a	X	
4b	X	
4c		X
5a		
5b		
6a		
6b		
7		
8		
9		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2018

## Page 2

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) NEIL PORTNOW PRESIDENT/CEO	(i)	1,122,748.	0.	52,224.	118,971.	11,636.	1,305,579.
	(ii)	0.	0.	0.	0.	0.	0.
(2) DARYL FRIEDMAN CHIEF INDUSTRY, GOVT & MEM	(i)	424,474.	5,250.	24,402.	12,000.	22,764.	488,890.
	(ii)	0.	0.	0.	0.	0.	0.
(3) BRANDEN CHAPMAN EXEC IN CHARGE PROD/CBDO	(i)	418,257.	5,250.	3,810.	9,250.	22,689.	459,256.
	(ii)	0.	0.	0.	0.	0.	0.
(4) WAYNE ZAHNER CHIEF FINANCIAL OFFICER	(i)	384,637.	5,250.	3,810.	9,250.	14,286.	417,233.
	(ii)	0.	0.	0.	0.	0.	0.
(5) EVAN GREENE CHIEF MARKETING OFFICER	(i)	342,576.	255,250.	3,810.	9,250.	33,554.	644,440.
	(ii)	0.	0.	0.	0.	0.	0.
(6) WILLIAM FREIMUTH VP AWARDS	(i)	321,752.	5,250.	6,822.	12,250.	22,689.	368,763.
	(ii)	0.	0.	0.	0.	0.	0.
(7) GAETANO FRIZZI CHIEF PEOPLE & CULTURE OFFICER	(i)	292,251.	5,250.	6,822.	12,250.	14,277.	330,850.
	(ii)	0.	0.	0.	0.	0.	0.
(8) RICHARD ENGBAHL CHIEF INFORMATION OFFICER	(i)	289,306.	5,250.	5,322.	12,250.	11,610.	323,738.
	(ii)	0.	0.	0.	0.	0.	0.
(9) NEDA AZARFAR VP MARKETING COMMUNICATION	(i)	220,378.	3,500.	36,354.	9,250.	7,938.	277,420.
	(ii)	0.	0.	0.	0.	0.	0.
(10) LAURA SEGURA VP MEMBERSHIP & INDUSTRY RELATIONS	(i)	209,488.	5,250.	3,428.	9,250.	38,370.	265,786.
	(ii)	0.	0.	0.	0.	0.	0.
(11) JASON JAMES CHIEF DIGITAL OFFICER	(i)	86,845.	0.	190,651.	5,116.	20,785.	303,397.
	(ii)	0.	0.	0.	0.	0.	0.
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						



# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

ARTS & SCIENCES, INC.

Schedule J (Form 990) 2018

95-6052058

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## Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A:

THE RECORDING ACADEMY HAS A WRITTEN POLICY REGARDING THE CIRCUMSTANCES IN

WHICH FIRST CLASS TRAVEL MAY BE USED. THE ORGANIZATION MAKES IT A PRACTICE

TO ROUTINELY USE COACH OR BUSINESS CLASS AIRLINE TRAVEL. THE PRESIDENT/CEO

AND ELECTED OFFICERS ARE PERMITTED TO FLY FIRST CLASS, ALTHOUGH THEY ARE

ENCOURAGED TO FLY BUSINESS CLASS, WHEN AVAILABLE, PRIOR TO BOOKING IN FIRST

CLASS. FURTHER, THESE INDIVIDUALS ARE ALSO ENCOURAGED TO USE COACH CLASS

TRAVEL FOR VERY SHORT TRIPS. OTHER MEMBERS OF SENIOR MANAGEMENT (MANAGING

DIRECTORS AND ABOVE) ARE ONLY ALLOWED TO FLY BUSINESS IF THE FLIGHT IS OVER

TWO HOURS IN DURATION. IF BUSINESS CLASS IS NOT AVAILABLE FIRST CLASS MAY

BE USED. THE MEMBERS OF THE BOARD OF TRUSTEES ARE OFFERED THE OPPORTUNITY

TO FLY FIRST CLASS OR BUSINESS CLASS FOR THE IN-PERSON BOARD MEETINGS EACH

YEAR.

PART I, LINES 4A-B:

A) JASON JAMES RECEIVED A SEVERANCE PAYOUT OF \$162,500. THIS WAS PAID OUT

OVER 6 MONTHS.

B/A NON-QUALIFIED DEFERRED COMPENSATION PLAN WAS ESTABLISHED EFFECTIVE

Schedule J (Form 990) 2018

FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

ARTS & SCIENCES, INC.

Schedule J (Form 990) 2018

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Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

AUGUST 1, 2013, MR. PORTNOW ACCRUED \$106,737 THROUGH DECEMBER 31, 2018

UNDER THE PLAN, WHICH IS SUBJECT TO A SUBSTANTIAL RISK OF FORFEITURE.

Schedule J (Form 990) 2018



# FOR PUBLIC DISCLOSURE

## SCHEDULE L

(Form 990 or 990-EZ)

## Transactions With Interested Persons

OMB No. 1545-0047

**2018**

Open To Public  
Inspection

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Name of the organization **NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.**

Employer identification number  
**95-6052058**

### Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
			Yes	No

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ..... ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ..... ▶ \$

### Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No

Total ..... ▶ \$

### Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2018

# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule L (Form 990 or 990-EZ) 2018 ARTS & SCIENCES, INC.

95-6052058

Page 2

## Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
GEORGE FLANIGEN, IV	TRUSTEE OF ORG.	75,000.	PRODUCTION		X

## Part V Supplemental Information.

Provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: GEORGE FLANIGEN, IV

(D) DESCRIPTION OF TRANSACTION: PRODUCTION SERVICES

SCHEDULE L PART IV

GEORGE FLANIGEN, IV IS A TRUSTEE AND A PRODUCTION CONSULTANT OF THE

61ST GRAMMY AWARDS.

Schedule L (Form 990 or 990-EZ) 2018



# FOR PUBLIC DISCLOSURE

## SCHEDULE M (Form 990)

Department of the Treasury  
Internal Revenue Service

## Noncash Contributions

OMB No. 1545-0047

# 2018

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Inspection

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Name of the organization **NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.**

Employer identification number  
**95-6052058**

### Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ ( BEVERAGES )	X	7	118,838.	FMV
26 Other ▶ ( GIFT BAG ITEM )	X	4,500	93,059.	FMV
27 Other ▶ ( )				
28 Other ▶ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions  
for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

0

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it  
must hold for at least three years from the date of the initial contribution, and which isn't required to be used for  
exempt purposes for the entire holding period?

	Yes	No
30a		X
31		X
32a		X
33		

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash  
contributions?

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked,  
describe in Part II.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2018

NATIONAL ACADEMY OF RECORDING

Page 2

**Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.



# FOR PUBLIC DISCLOSURE

## SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

## Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

# 2018

Open to Public  
Inspection

Name of the organization

NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

Employer identification number

95-6052058

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

TECHNICAL ACHIEVEMENTS IN THE RECORDING ARTS OF THOSE DEEMED TO BE MOST

WORTHY BY THEIR PEERS THROUGH THE ANNUAL PRESENTATION OF THE GRAMMY

AWARDS.

FORM 990, PART V, LINE 6B:

THE ORGANIZATION DOES NOT SOLICIT CONTRIBUTIONS FROM THE GENERAL

PUBLIC, HOWEVER, THEY DO ACCEPT SPONSORSHIP INCOME FROM CORPORATE

DONORS AS PART OF THEIR EVENTS.

FORM 990, PART VI, SECTION A, LINE 1:

THE EXECUTIVE COMMITTEE IS COMPRISED OF THE CHAIR OF THE BOARD OF TRUSTEES,

VICE CHAIR OF THE BOARD OF TRUSTEES, SECRETARY/TREASURER OF THE BOARD OF

TRUSTEES, CHAIR EMERITUS OF THE BOARD OF TRUSTEES AND FOUR (4) SITTING

TRUSTEES SELECTED BY THE CHAIR OF THE BOARD OF TRUSTEES IN CONSULTATION

WITH THE PRESIDENT/CHIEF EXECUTIVE OFFICER AND RATIFIED BY THE BOARD OF

TRUSTEES. THEY ARE GRANTED UNILATERAL RIGHTS TO CONDUCT BUSINESS ON BEHALF

OF THE BOARD OF TRUSTEES. ANY SUCH ACTION SHALL BE COMMUNICATED TO THE

ENTIRE BOARD AS PROMPTLY AS THE EXECUTIVE COMMITTEE DEEMS REASONABLY

PRACTICABLE. SUCH ACTIONS SHALL NOT INCLUDE:

(A) ALTERING MAJOR LEGAL DOCUMENTS SUCH AS, BUT NOT LIMITED TO, THE

CERTIFICATE OF INCORPORATION, BYLAWS, OR GOVERNANCE MANUAL;

(B) AUTHORIZING MERGERS (OTHER THAN A MERGER OF ANY WHOLLY-OWNED SUBSIDIARY

WITH THE RECORDING ACADEMY), ACQUISITIONS, JOINT VENTURES, CONSOLIDATIONS

OR DISSOLUTIONS; OR APPROVING THE SALE, LEASE, EXCHANGE OR ENCUMBRANCE OF

ANY MATERIAL ASSET OF THE RECORDING ACADEMY THAT IS NOT IN THE ORDINARY

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2018)

832211 10-10-18

# FOR PUBLIC DISCLOSURE

Schedule O (Form 990 or 990-EZ) (2018)

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Name of the organization NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

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COURSE OF BUSINESS OF THE RECORDING ACADEMY;

(C) FORMING OR DISSOLVING STANDING AND TRUSTEE-ONLY COMMITTEES OF THE BOARD,

OR AMENDING THE CHARTER OF ANY COMMITTEE;

(D) TAKING ANY ACTIONS THAT HAVE BEEN EXPRESSLY, BY CHARTER OR RESOLUTIONS,

DELEGATED TO ANY OTHER TRUSTEE-ONLY COMMITTEE; AND

(E) AMENDING OR REPEALING ANY RESOLUTION OF THE BOARD.

FORM 990, PART VI, SECTION A, LINE 2:

THE FOLLOWING PEOPLE HAD BUSINESS RELATIONSHIPS:

RICHARD STUMPH AND TRACY GERSHON

MATT STILL AND TAMMY HURT

NICK PHILLIPS AND JOHN BURK

MATT HENNESSY AND JUSTIN ROBERTS

BRIAN DECK AND MATT HENNESSY

BRIAN DECK AND MARK HUBBARD

JOHN BURK AND MINDI ABRAHAM

JOHN BURK AND BOOKER T. JONES

JOHN BURK AND SHANNON SANDERS

JOHN BURK AND PETER ASHER

JOHN BURK AND KEN SHEPHERD

JOHN BURK AND TERRI LYNE CARRINGTON

JOHN BURK AND SCOTT BILLINGTON

JOHN BURK AND HARVEY MASON JR

JOHN BURK AND LALAH HATHAWAY

HELEN BRUNER AND TERRY JONES

FORM 990, PART VI, SECTION A, LINE 6:

THERE ARE THREE CATEGORIES OF MEMBERS OF THE RECORDING ACADEMY: (A) VOTING



# FOR PUBLIC DISCLOSURE

Schedule O (Form 990 or 990-EZ) (2018)

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Name of the organization NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

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MEMBERS; (B) ASSOCIATE MEMBERS; AND (C) GRAMMY UNIVERSITY MEMBERS. EACH

MEMBERSHIP CLASS HAS ITS OWN RIGHTS AND ESTABLISHED CRITERIA FOR

PARTICIPATION AS SET FORTH BY THE ORGANIZATION'S BYLAWS.

FORM 990, PART VI, SECTION A, LINE 7A:

THE VOTING MEMBERS FROM EACH CHAPTER SHALL CONSTITUTE A SEPARATE MEMBERSHIP

CLASS (THE "CHAPTER VOTING MEMBER MEMBERSHIP CLASS") AT THE TIME AND, AS

SUCH, SHALL ELECT THE VOTING MEMBER GOVERNORS FROM SUCH CHAPTER BY A

PLURALITY VOTE OF QUALIFIED RETURNED BALLOTS EQUAL TO NOT LESS THAN TEN

PERCENT OF THE TOTAL NUMBER OF MEMBERS OF SUCH MEMBERSHIP CLASS. THE

VOTING MEMBERS AND ASSOCIATE MEMBERS FROM EACH CHAPTER AT THE TIME SHALL

CONSTITUTE A SEPARATE MEMBERSHIP CLASS (THE "CHAPTER VOTING MEMBER AND

ASSOCIATE MEMBER MEMBERSHIP CLASS") AND, AS SUCH, SHALL ELECT THE ASSOCIATE

MEMBER GOVERNORS FROM SUCH CHAPTER BY A PLURALITY VOTE OF QUALIFIED RETURN

BALLOTS EQUAL TO NOT LESS THAN TEN PERCENT OF THE TOTAL NUMBER OF MEMBERS

OF SUCH MEMBERSHIP CLASS.

VOTING MEMBER GOVERNORS AND ASSOCIATE MEMBER GOVERNORS FROM EACH CHAPTER:

THE MEMBERS FROM EACH CHAPTER WHO AT THE TIME ARE VOTING MEMBER GOVERNORS

AND ASSOCIATE MEMBER GOVERNORS SHALL CONSTITUTE A SEPARATE MEMBERSHIP CLASS

(THE "CHAPTER GOVERNOR MEMBERSHIP CLASS"). THE CHAPTER GOVERNOR MEMBERSHIP

CLASS SHALL ELECT (A) THE TRUSTEES FROM SUCH CHAPTER BY A PLURALITY VOTE OF

A MAJORITY OF THE MEMBERSHIP CLASS ELIGIBLE TO VOTE AND (B) THE CHAPTER

OFFICERS OF SUCH CHAPTER BY A PLURALITY VOTE OF A MAJORITY OF THE

MEMBERSHIP CLASS ELIGIBLE TO VOTE, AND SHALL HAVE THE POWER TO REMOVE SUCH

PERSONS FROM OFFICE.

TRUSTEES: THE MEMBERS WHO AT THE TIME ARE TRUSTEES SHALL CONSTITUTE A

# FOR PUBLIC DISCLOSURE

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Page 2

Name of the organization NATIONAL ACADEMY OF RECORDING  
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SEPARATE MEMBERSHIP CLASS (THE "TRUSTEE MEMBERSHIP CLASS"). DURING THE  
PERIOD A PERSON IS IN OFFICE AS A TRUSTEE OFFICER, SUCH PERSON WILL ALSO BE  
A TRUSTEE. THE TRUSTEE MEMBERSHIP CLASS SHALL (A) ELECT THE TRUSTEE  
OFFICERS BY A MAJORITY VOTE OF A SIMPLE QUORUM; (B) HAVE THE POWER, BY A  
SUPERMAJORITY VOTE OF A SUPERMAJORITY QUORUM, (I) TO REMOVE ANY TRUSTEE  
FROM OFFICE (II) TO REMOVE ANY TRUSTEE OFFICER FROM OFFICE AND (III) TO  
REMOVE ANY GOVERNOR FROM OFFICE; (C) HAVE THE POWER TO RATIFY THE COMMITTEE  
NOMINATIONS; AND (D) HAVE THE POWER TO APPROVE, ADOPT, VOTE ON, CONSENT  
WITH RESPECT TO, OR RATIFY SUCH MATTERS OR ACTIONS THAT THE CHAIR OR THE  
EXECUTIVE COMMITTEE DECIDES TO SUBMIT TO THE TRUSTEE MEMBERSHIP CLASS FOR  
SUCH ACTION.

VOTING MEMBER GOVERNORS AND ASSOCIATE MEMBER GOVERNORS FROM ALL CHAPTERS:  
THE MEMBERS FROM ALL CHAPTERS WHO AT THE TIME ARE VOTING MEMBER GOVERNORS  
AND ASSOCIATE MEMBER GOVERNORS SHALL CONSTITUTE A SEPARATE MEMBERSHIP CLASS  
(THE "GOVERNOR MEMBERSHIP CLASS"). THE GOVERNOR MEMBERSHIP CLASS SHALL HAVE  
THE RIGHT TO VOTE ON ANY MAJOR CHAPTER MATTER, AND APPROVAL WILL REQUIRE A  
SUPERMAJORITY VOTE OF A SUPERMAJORITY QUORUM.

FORM 990, PART VI, SECTION B, LINE 11B:

FORM 990 IS PREPARED BY DELOITTE TAX LLP, WORKING IN CONJUNCTION WITH THE  
ORGANIZATION'S FINANCE DEPARTMENT. THE DRAFT OF THE FORM 990 IS REVIEWED  
BY THE ORGANIZATION'S MANAGEMENT. THE INITIAL DRAFT OF THE FORM 990 IS THEN  
PROVIDED TO THE RECORDING ACADEMY'S AUDIT/FINANCE COMMITTEE FOR THEIR  
REVIEW. ANY COMMENTS RESULTING FROM THEIR REVIEW ARE INCORPORATED INTO THE  
FINAL FILING OF THE FORM 990. THE AUDIT/FINANCE COMMITTEE HAS BEEN  
AUTHORIZED BY THE BOARD OF TRUSTEES TO REVIEW THE TAX FILINGS AND APPROVE  
THEM TO BE FILED.



# FOR PUBLIC DISCLOSURE

Schedule O (Form 990 or 990-EZ) (2018)

Page 2

Name of the organization NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

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FORM 990, PART VI, SECTION B, LINE 12C:

THE CORPORATE SECRETARY DISTRIBUTES THE STATEMENT OF CONFLICT OF INTEREST  
POLICY AT A TRUSTEES MEETING. THE STATEMENTS ARE COLLECTED BY THE CORPORATE  
SECRETARY AND THEN A SUMMARY REPORT IS GIVEN TO THE CHAIR OF THE BOARD OF  
TRUSTEES AND THE PRESIDENT/CHIEF EXECUTIVE OFFICER. ACCORDINGLY, THE CHAIR  
OF THE BOARD OF TRUSTEES AS WELL AS THE PRESIDENT/CHIEF EXECUTIVE OFFICER  
ARE RESPONSIBLE FOR BOTH MONITORING AND ENFORCING THE CONFLICT OF INTEREST  
POLICY BASED ON THE STATEMENTS THAT ARE PROVIDED.

FORM 990, PART VI, SECTION B, LINE 15A:

THE PRESIDENT/CEO COMPENSATION WAS DETERMINED BY THE EXECUTIVE COMMITTEE OF  
THE BOARD OF TRUSTEES, FUNCTIONING AS A COMPENSATION COMMITTEE FOR THIS  
PURPOSE. THE DECISION WAS THEN RATIFIED BY THE BOARD OF TRUSTEES. THE  
COMMITTEE RELIED UPON THE ADVICE AND EXPERTISE OF LEGAL COUNSEL, AN  
INDEPENDENT OUTSIDE COMPENSATION CONSULTANT AND COMPARABILITY DATA IN  
DETERMINING THE COMPENSATION. THE MEETING IN WHICH THOSE DELIBERATIONS WERE  
CONDUCTED WAS CONTEMPORANEOUSLY DOCUMENTED.

FORM 990, PART VI, SECTION B, LINE 15(B):

COMPENSATION FOR OTHER EMPLOYEES OF NATIONAL ACADEMY OF RECORDING ARTS &  
SCIENCES, INC. IS SET BY THE PRESIDENT/CHIEF EXECUTIVE OFFICER, CHIEF  
FINANCIAL OFFICER AND CHIEF HUMAN RESOURCES OFFICER. COMPENSATION IS  
DETERMINED BY THE REVIEW OF THE COMPENSATION OF OTHER EMPLOYEES AT SIMILAR  
LEVELS. INFORMATION FROM OUTSIDE ORGANIZATIONS IS GATHERED BY THE CHIEF  
HUMAN RESOURCES OFFICER AND BY A GENERAL KNOWLEDGE OF WHAT IS EXPECTED FOR  
THE POSITION BY THESE THREE INDIVIDUALS. AS IT RELATES TO ANNUAL  
INCREASES, THE CHIEF HUMAN RESOURCES OFFICER AND THE CHIEF FINANCIAL

# FOR PUBLIC DISCLOSURE

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Name of the organization NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

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OFFICER HAVE DISCUSSED BENCHMARKING WITH HUMAN RESOURCES MANAGEMENT AND THE

CHIEF FINANCIAL OFFICER OF SIMILAR ORGANIZATIONS. AGREEMENT IS OBTAINED

BETWEEN THESE THREE INDIVIDUALS (CEO, CFO, CHIEF HUMAN RESOURCES OFFICER)

AS TO THE VALUE OF SERVICES PROVIDED.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION MAKES THE BYLAWS AVAILABLE ON ITS WEBSITE. IT DOES NOT

MAKE THE CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO

THE PUBLIC.

FORM 990, PART XII, LINE 2A & 2B

THE ORGANIZATION'S FINANCIAL STATEMENTS WERE AUDITED AS PART OF THE

COMBINED FINANCIAL STATEMENTS THAT INCLUDED NARAS PROPERTIES, INC. A

RELATED TAX-EXEMPT ORGANIZATION.

FORM 990, PART VIII AND IX

DURING THE TAX YEAR, THE RECORDING ACADEMY RECEIVED DONATED SERVICES IN

THE FORM OF PRINTED ADVERTISEMENTS. REVENUE FROM THESE DONATED

SERVICES IS INCLUDED IN SPONSORSHIP INCOME ON FORM 990, PART VIII, LINE

2B. EXPENSES INCURRED ASSOCIATED WITH THE DONATED SERVICES ARE

INCLUDED ON FORM 990, PART IX, LINE 12. IN ADDITION, THE FAIR MARKET

VALUE OF THE PORTION OF THE DONATED SERVICES THAT WERE CONTRIBUTED TO

OTHER ORGANIZATIONS IS INCLUDED IN FORM 990, PART IX, LINE 1 AND

SCHEDULE R IF THE ORGANIZATION WAS ALSO A RELATED ORGANIZATION.

TANGIBLE PROPERTY REGULATION ELECTIONS

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION



# FOR PUBLIC DISCLOSURE

Schedule O (Form 990 or 990-EZ) (2018)

Page 2

Name of the organization NATIONAL ACADEMY OF RECORDING  
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TAXPAYER IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER TREAS.

REG. 1.263(A)-1(F) FOR ALL ELIGIBLE AMOUNTS PAID OR INCURRED DURING THE

TAXABLE YEAR.

SECTION 1.263(A)-3(N) CAPITALIZATION ELECTION

TAXPAYER HEREBY ELECTS TO CAPITALIZE REPAIR AND MAINTENANCE COSTS UNDER

TREAS. REG. 1.263(A)-3(N). THE COSTS WERE INCURRED DURING THE TAXABLE

YEAR IN THE ELECTING TAXPAYER'S TRADE OR BUSINESS AND THE ELECTING

TAXPAYER TREATS SUCH COSTS AS CAPITAL EXPENDITURES ON ITS BOOKS AND

RECORDS.

# FOR PUBLIC DISCLOSURE

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization

NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES, INC.

► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Employer identification number

95-6052058

OMB No. 1545-0047

2018

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## Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

► Attach to Form 990.

### Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

### Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
NARAS PROPERTIES, INC. - 95-4516666 3030 OLYMPIC BLVD SANTA MONICA, CA 90404-5073	HOLD TITLE TO REAL PROPERTY	CALIFORNIA	501(C)(2)		NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES, INC.		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2018



## NATIONAL ACADEMY OF RECORDING

**Part III** Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

[illegible]

**Part IV** **Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

[illegible]

# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule R (Form 990) 2018

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Page 3

## Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts I-IV?

- a** Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved	Yes No	
					1a	1b
(1)	NARAS PROPERTIES, INC.	D	977,988. CASH VALUE			X
(2)	NARAS PROPERTIES, INC.	K	3,862,774. FMV			X
(3)	NARAS PROPERTIES, INC.	O	64,327. CASH VALUE			X
(4)	NARAS PROPERTIES, INC.	S	3,804,399. FMV			X
(5)						
(6)						





# FOR PUBLIC DISCLOSURE

NATIONAL ACADEMY OF RECORDING

Schedule R (Form 990) 2018

ARTS & SCIENCES, INC.

95-6052058

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## Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.

### SCHEDULE R, PART V

NARAS PROPERTIES, INC. A RELATED SECTION 501(C)(2) TAX-EXEMPT

ORGANIZATION CONTROLLED BY THE RECORDING ACADEMY, OWNS THE CORPORATE

HEADQUARTERS IN SANTA MONICA, CALIFORNIA USED BY THE RECORDING ACADEMY

AND ITS AFFILIATED TAX-EXEMPT ORGANIZATIONS. THE RECORDING ACADEMY PAID

RENT FOR ITS USE OF THE CORPORATE HEADQUARTERS. THE VALUE OF THE RENT

WAS DETERMINED BASED ON COMPARABLES OF SIMILAR PROPERTIES. NARAS

PROPERTIES, INC. ALSO OWNS AN OFFICE BUILDING IN NASHVILLE, TENNESSEE

USED BY THE NASHVILLE CHAPTER OF THE RECORDING ACADEMY AND MUSICARES,

ONE OF ITS AFFILIATED TAX-EXEMPT ORGANIZATIONS. THE RECORDING ACADEMY

PAID RENT FOR ITS USE OF THE PROPERTY. THE VALUE OF THE RENT WAS

DETERMINED BASED ON COMPARABLES OF SIMILAR PROPERTIES. VALUE OF DONATED

ADVERTISING IS BASED ON RATE CARD FROM THE PUBLICATION. ON DECEMBER 21,

2016 NARAS PROPERTIES, INC. PURCHASED A RESIDENTIAL BUILDING IN NEW

YORK CITY, NEW YORK. THE NEW YORK CHAPTERS OF THE RECORDING ACADEMY

AND MUSICARES WILL UTILIZE THE PROPERTY ONCE RENOVATIONS ARE COMPLETE.