

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  
▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No 1545-0047  
**2017**  
**Open to Public Inspection**

## A For the 2017 calendar year, or tax year beginning 08-01-2017, and ending 07-31-2018

- 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 BOULEVARD

City or town, state or province, country, and ZIP or foreign postal code  
SANTA MONICA, CA 904045073

**F** Name and address of principal officer  
NEIL PORTNOW  
3030 OLYMPIC BOULEVARD  
SANTA MONICA, CA 904045073

**D** Employer identification number  
95-6052058

**E** Telephone number  
(310) 392-3777

**G** Gross receipts \$ 141,120,262

**I** Tax-exempt status  501(c)(3)  501(c) ( 6 ) ◀ (insert no)  4947(a)(1) or  527

**J** Website: ▶ WWW GRAMMY COM

**H(a)** Is this a group return for subordinates?  Yes  No

**H(b)** Are all subordinates included?  Yes  No  
If "No," attach a list (see instructions)

**H(c)** Group exemption number ▶

**K** Form of organization  Corporation  Trust  Association  Other ▶

**L** Year of formation 1987 **M** State of legal domicile DE

## Part I Summary

**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 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 TECHNICAL ACHIEVEMENTS IN THE RECORDING ARTS OF THOSE DEEMED TO BE MOST WORTHY BY THEIR PEERS THROUGH THE ANNUAL PRESENTATION OF THE GRAMMY AWARDS

**2** Check this box  if the organization discontinued its operations or disposed of more than 25% of its net assets

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	44
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	44
<b>5</b> Total number of individuals employed in calendar year 2017 (Part V, line 2a)	192
<b>6</b> Total number of volunteers (estimate if necessary)	500
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	100,784
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	-42,376

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	1,697,525	1,651,223
<b>9</b> Program service revenue (Part VIII, line 2g)	73,663,244	88,819,294
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,546,804	4,233,107
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,823,795	1,451,851
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	80,731,368	96,155,475
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	6,096,974	6,011,975
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0	0
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	21,580,548	22,284,658
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	51,579,821	61,592,213
<b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	79,257,343	89,888,846
<b>19</b> Revenue less expenses Subtract line 18 from line 12	1,474,025	6,266,629
	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	137,003,587	138,704,299
<b>21</b> Total liabilities (Part X, line 26)	28,528,408	23,702,924
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	108,475,179	115,001,375

## 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  
NEIL PORTNOW PRESIDENT/CEO  
Type or print name and title

2019-05-29  
Date

**Paid Preparer Use Only**

Print/Type preparer's name  
JOAN S MCMAHON

Preparer's signature  
JOAN S MCMAHON

Date

Check  if self-employed PTIN P00966494

Firm's name ▶ DELOITTE TAX LLP Firm's EIN ▶ 86-1065772

Firm's address ▶ 555 MISSION STREET Phone no (415) 783-4000  
SAN FRANCISCO, CA 94105

**Part III Statement of Program Service Accomplishments**

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

**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 TECHNICAL ACHIEVEMENTS IN THE RECORDING ARTS OF THOSE DEEMED TO BE MOST WORTHY BY THEIR PEERS THROUGH THE ANNUAL PRESENTATION OF THE GRAMMY AWARDS

**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 \$ including grants of \$ ) (Revenue \$ )  
See Additional Data

**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 ▶

**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> . . . . .		No
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? . . . . .		No
<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> 🗳️ . . . . .	Yes	
<b>4 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> . . . . .		
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .		No
<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> 🗳️ . . . . .		No
<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> 🗳️ . . . . .		No
<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> 🗳️ . . . . .		No
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .		No
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .	Yes	
<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> 🗳️ . . . . .		No
<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> 🗳️ . . . . .	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		No
<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> . . . . .		No
<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> . . . . .		No
<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> . . . . .		No
<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> (see instructions) . . . . .		No
<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> . . . . .		No
<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> . . . . .		No

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H . . . . .</i>		No
<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>	Yes	
<b>22</b> 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? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>	Yes	
<b>23</b> 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? <i>If "Yes," complete Schedule J . . . . .</i>	Yes	
<b>24a</b> 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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .</i>		No
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
<b>25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		
<b>b</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? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		
<b>26</b> 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? <i>If "Yes," complete Schedule L, Part II . . . . .</i>		No
<b>27</b> 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? <i>If "Yes," complete Schedule L, Part III . . . . .</i>		No
<b>28</b> 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)		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		No
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		No
<b>c</b> 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? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		No
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>		No
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>		No
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>		No
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . . . .</i>		No
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . . . .</i>		No
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .</i>	Yes	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	Yes	
<b>b</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)? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>	Yes	
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		
<b>37</b> 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? <i>If "Yes," complete Schedule R, Part VI . . . . .</i>		No
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	Yes	

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]

Table with columns for question ID, question text, and Yes/No response boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited tax shelter transactions, charitable contributions, and various organizational requirements.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 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

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year (44); 1b Enter the number of voting members included in line 1a, above, who are independent (44); 2 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? (Yes); 3 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? (No); 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? (No); 5 Did the organization become aware during the year of a significant diversion of the organization's assets? (No); 6 Did the organization have members or stockholders? (Yes); 7a 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? (Yes); 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? (No); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? (Yes); 8b Each committee with authority to act on behalf of the governing body? (Yes); 9 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 (No).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? (Yes); 10b 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? (Yes); 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? (Yes); 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 (Yes); 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done (Yes); 13 Did the organization have a written whistleblower policy? (Yes); 14 Did the organization have a written document retention and destruction policy? (Yes); 15 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? 15a The organization's CEO, Executive Director, or top management official (Yes); 15b Other officers or key employees of the organization (No); 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (No); 16b 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?

Section C. Disclosure

Table with 3 columns: Question, Yes, No. Rows include: 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 Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply: [ ] Own website, [ ] Another's website, [X] 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 3030 OLYMPIC BOULEVARD SANTA MONICA, CA 904045073 (310) 392-3777).





**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
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>			
	<b>b</b> Membership dues . . . . .	<b>1b</b>	1,651,223		
	<b>c</b> Fundraising events . . . . .	<b>1c</b>			
	<b>d</b> Related organizations . . . . .	<b>1d</b>			
	<b>e</b> Government grants (contributions) . . . . .	<b>1e</b>			
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>			
	<b>g</b> Noncash contributions included in lines 1a-1f \$ _____				
	<b>h Total.</b> Add lines 1a-1f . . . . .		1,651,223		

<b>Program Service Revenue</b>			Business Code			
	<b>2a</b> TELECAST EVENT INCOME		900099	57,419,019		57,419,019
	<b>b</b> SPONSORSHIP INCOME		711130	17,379,663	100,784	17,278,879
	<b>c</b> GRAMMY TICKET SALES		711130	12,796,094	12,796,094	
	<b>d</b> PUBLICATION INCOME		711130	868,784	868,784	
	<b>e</b> NARAS RELATED EVENTS		541800	355,734	355,734	
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f . . . . .			88,819,294		

<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .			4,655,532		4,655,532	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .						
	<b>5</b> Royalties . . . . .			1,516,842		1,516,842	
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
			380,851				
		<b>b</b> Less rental expenses		726,227			
		<b>c</b> Rental income or (loss)		-345,376			
	<b>d</b> Net rental income or (loss) . . . . .			-345,376		-345,376	
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			43,816,135				
		<b>b</b> Less cost or other basis and sales expenses		44,238,560			
		<b>c</b> Gain or (loss)		-422,425			
	<b>d</b> Net gain or (loss) . . . . .			-422,425		-422,425	
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	<b>a</b>					
	<b>b</b> Less direct expenses . . . . .	<b>b</b>					
	<b>c</b> Net income or (loss) from fundraising events . . . . .						
	<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	<b>a</b>					
	<b>b</b> Less direct expenses . . . . .	<b>b</b>					
<b>c</b> Net income or (loss) from gaming activities . . . . .							
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>						
<b>b</b> Less cost of goods sold . . . . .	<b>b</b>						
<b>c</b> Net income or (loss) from sales of inventory . . . . .							
Miscellaneous Revenue	Business Code						
<b>11a</b> OTHER INCOME	900099	135,891	135,891				
<b>b</b> FILM CLIP INCOME	900099	134,903			134,903		
<b>c</b> ANNUITY INCOME	900099	9,591			9,591		
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . .		280,385					
<b>12 Total revenue.</b> See Instructions . . . . .		96,155,475	14,156,503	100,784	80,246,965		

**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
<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>				
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	5,991,975			
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22.	20,000			
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
<b>4</b> Benefits paid to or for members.				
<b>5</b> Compensation of current officers, directors, trustees, and key employees.	4,196,541			
<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.	13,900,745			
<b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	668,393			
<b>9</b> Other employee benefits.	2,234,155			
<b>10</b> Payroll taxes.	1,284,824			
<b>11</b> Fees for services (non-employees)				
<b>a</b> Management.				
<b>b</b> Legal.	3,737,440			
<b>c</b> Accounting.	409,885			
<b>d</b> Lobbying.	162,000			
<b>e</b> Professional fundraising services. See Part IV, line 17.				
<b>f</b> Investment management fees.	626,826			
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	4,215,186			
<b>12</b> Advertising and promotion.	3,455,758			
<b>13</b> Office expenses.	1,839,338			
<b>14</b> Information technology.	2,782,809			
<b>15</b> Royalties.				
<b>16</b> Occupancy.	4,465,398			
<b>17</b> Travel.	3,598,536			
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials.				
<b>19</b> Conferences, conventions, and meetings.	1,591,467			
<b>20</b> Interest.				
<b>21</b> Payments to affiliates.				
<b>22</b> Depreciation, depletion, and amortization.	521,308			
<b>23</b> Insurance.	369,526			
<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	26,631,672			
<b>b</b> EVENT EXPENSES	6,470,257			
<b>c</b> ENTERTAINMENT	594,371			
<b>d</b>				
<b>e</b> All other expenses	120,436			
<b>25</b> Total functional expenses. Add lines 1 through 24e.	89,888,846			
<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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	1,700	<b>1</b>	1,700
	<b>2</b> Savings and temporary cash investments . . . . .	24,507,070	<b>2</b>	10,209,848
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	4,862,360	<b>4</b>	1,189,288
	<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 instructions) Complete Part II of Schedule 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 . . . . .	5,908,595	<b>9</b>	4,400,389
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	<b>10a</b> 9,278,567		
	<b>b</b> Less accumulated depreciation	<b>10b</b> 6,633,755	2,963,926	<b>10c</b> 2,644,812
	<b>11</b> Investments—publicly traded securities . . . . .	75,976,178	<b>11</b>	80,446,792
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .	11,623	<b>12</b>	16,957,274
	<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 . . . . .	22,772,135	<b>15</b>	22,854,196
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	137,003,587	<b>16</b>	138,704,299	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	3,846,780	<b>17</b>	4,671,084
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	24,113,116	<b>19</b>	18,309,994
	<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 . . . . .	568,512	<b>25</b>	721,846
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	28,528,408	<b>26</b>	23,702,924
<b>Net Assets or Fund Balances</b>	<b>27</b> <b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b> Unrestricted net assets	108,475,179	<b>27</b>	115,001,375
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>30</b> <b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</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> Total net assets or fund balances . . . . .	108,475,179	<b>33</b>	115,001,375
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	137,003,587	<b>34</b>	138,704,299

**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>	96,155,475
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25) . . . . .	<b>2</b>	89,888,846
<b>3</b>	Revenue less expenses Subtract line 2 from line 1 . . . . .	<b>3</b>	6,266,629
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	<b>4</b>	108,475,179
<b>5</b>	Net unrealized gains (losses) on investments . . . . .	<b>5</b>	259,567
<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>	115,001,375

**Part XII Financial Statements and Reporting**

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

	Yes	No
<p><b>1</b> Accounting method used to prepare the Form 990 <span style="margin-left: 20px;"><input type="checkbox"/> Cash</span> <span style="margin-left: 20px;"><input checked="" type="checkbox"/> Accrual</span> <span style="margin-left: 20px;"><input type="checkbox"/> Other _____</span>                      If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p>		
<p><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</p>		No
<p><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</p>	Yes	
<p><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</p>	Yes	
<p><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?</p>		No
<p><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</p>		

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 95-6052058

**Name:** NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES INC

Form 990 (2017)

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**Form 990, Part III, Line 4a:**

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

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**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
NEIL PORTNOW ..... PRESIDENT/CEO	40 00 .....			X				2,506,823	0	128,950
WAYNE ZAHNER ..... CHIEF FINANCIAL OFFICER	40 00 .....			X				382,410	0	33,718
BRANDEN CHAPMAN ..... EXEC IN CHARGE PROD/CBDO	40 00 .....				X			331,933	0	42,209
EVAN GREENE ..... CHIEF MARKETING OFFICER	40 00 .....				X			457,442	0	51,313
DARYL FRIEDMAN ..... CHIEF INDUSTRY, GOVT & MEM	40 00 .....				X			431,715	0	45,746
WILLIAM FREIMUTH ..... VP AWARDS	40 00 .....				X			317,492	0	43,884
JASON JAMES ..... CHIEF DIGITAL OFFICER	40 00 .....					X		307,671	0	54,748
RICK ENGDAHL ..... CHIEF INFORMATION OFFICER	40 00 .....					X		283,004	0	31,408
GAETANO FRIZZI ..... CHIEF HR OFFICER	40 00 .....					X		291,320	0	35,284
NEDA AZAFAR ..... VP MARKETING COMMUNICATION	40 00 .....					X		242,263	0	24,561

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
LAURA SEGURA MUELLER ..... SVP SPECIAL PROJECTS	40 00 .....					X		210,279	0	46,667
NANCY SHAPIRO ..... SVP SPECIAL PROJECTS	40 00 .....						X	103,000	0	21,203
JOHN POPPO ..... NATIONAL CHAIR	5 00 .....	X						0	0	0
RUBY MARCHAND ..... VICE CHAIR	1 00 .....	X						0	0	0
TERRY HEMMINGS ..... SEC/TREASURER/TRUSTEE	1 00 .....	X						0	0	0
CHRISTINE ALBERT ..... CHAIR EMERITUS/ TRUSTEE	1 00 .....	X						0	0	0
ANN MINCIELI ..... TRUSTEE	1 00 .....	X						0	0	0
BOOKER T JONES ..... TRUSTEE	1 00 .....	X						0	0	0
BRIAN DECK ..... TRUSTEE	1 00 .....	X						0	0	0
BRETT JAMES TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
CARL WALKER FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
CARLOS ALVAREZ ..... TRUSTEE	1 00 .....	X						0	0	0
CARLOS H ALVAREZ TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
CATHERINE HARRIS-WHITE ..... TRUSTEE (FROM 6/1/18)	1 00 .....	X						0	0	0
CLAUDIA MENKARSKI ..... TRUSTEE	1 00 .....	X						0	0	0
DAVID MESSIER FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
ED CHERNEY TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
ERIC SCHILLING ..... TRUSTEE/FORMER SEC	1 00 .....	X						0	0	0
FLETCHER FOSTER FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
GEORGE FLANIGEN ..... TRUSTEE/FRMR CHAIR EMERITUS	1 00 .....	X						0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
GINO ROBAIR ..... TRUSTEE	1 00 .....	X						0	0	0
GREGORY CHIN TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
HARVEY MASON FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
IVAN BARIAS ..... TRUSTEE	1 00 .....	X						0	0	0
JAMES MCKINNEY TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
JEFF BALDING ..... TRUSTEE	1 00 .....	X						0	0	0
JEFF LEVENSON ..... TRUSTEE	1 00 .....	X						0	0	0
JOHN BURK ..... TRUSTEE	1 00 .....	X						0	0	0
JUSTIN ROBERTS ..... TRUSTEE	1 00 .....	X						0	0	0
KEN SHEPHERD ..... TRUSTEE	1 00 .....	X						0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
KIM KEM OWENS TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
LALAH HATHAWAY FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
LEE LEVIN FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
LESLIE ANN JONES FROM 6118 ..... TRUSTEE	1 00 .....	X						0	0	0
LINDA LORENCE CRITELLI ..... TRUSTEE (TO 5/31/18)	1 00 .....	X						0	0	0
MATT STILL ..... TRUSTEE	1 00 .....	X						0	0	0
MATTHEW HENNESSY ..... TRUSTEE	1 00 .....	X						0	0	0
MICHAEL ROMANOWSKI TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
MIKE CLINK TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
MIKE KNOBLOCH ..... TRUSTEE	1 00 .....	X						0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
MINDI ABAIR ..... TRUSTEE	1 00 .....	X						0	0	0
NICK PHILLIPS ..... TRUSTEE	1 00 .....	X						0	0	0
NILE RODGERS ..... TRUSTEE	1 00 .....	X						0	0	0
RICHARD STUMPF ..... TRUSTEE	1 00 .....	X						0	0	0
RIGGS MORALES ..... TRUSTEE	1 00 .....	X						0	0	0
RODNEY JERKINS TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0
SCOTT BILLINGTON ..... TRUSTEE	1 00 .....	X						0	0	0
SHANNON SANDERS ..... TRUSTEE	1 00 .....	X						0	0	0
SUE ENNIS ..... TRUSTEE	1 00 .....	X						0	0	0
TAMMY HURT ..... TRUSTEE	1 00 .....	X						0	0	0

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted 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			
TERESA LABARBERA ..... TRUSTEE	1 00 .....	X						0	0	0
TERRI LYNE CARRINGTON ..... TRUSTEE (FROM 6/1/18)	1 00 .....	X						0	0	0
TERRY JONES ..... TRUSTEE	1 00 .....	X						0	0	0
TIM PALMER ..... TRUSTEE	1 00 .....	X						0	0	0
TRACY GERSHON ..... TRUSTEE	1 00 .....	X						0	0	0
TRACY HAMLIN ..... TRUSTEE	1 00 .....	X						0	0	0
TYLER STONE TO 53118 ..... TRUSTEE	1 00 .....	X						0	0	0

**SCHEDULE C**  
(Form 990 or 990-EZ)  
  
Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**  
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.  
▶Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  
  
**2017**  
  
**Open to Public Inspection**

**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 the organization NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES INC	Employer identification number 95-6052058
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")
- Political campaign activity expenditures (see instructions) ▶ \$ \_\_\_\_\_
- Volunteer hours for political campaign activities (see instructions) \_\_\_\_\_

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

- Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ \_\_\_\_\_
- Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ \_\_\_\_\_
- If the organization incurred a section 4955 tax, did it file Form 4720 for this year?  Yes  No
- a 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).**

- Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ 13,913
- Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ \_\_\_\_\_
- Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$ 13,913
- Did the filing organization file **Form 1120-POL** for this year?  Yes  No
- 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-
1				
2				
3				
4				
5				
6				

**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

- 1a** Total lobbying expenditures to influence public opinion (grass roots lobbying)
- b** Total lobbying expenditures to influence a legislative body (direct lobbying)
- c** Total lobbying expenditures (add lines 1a and 1b)
- d** Other exempt purpose expenditures
- e** Total exempt purpose expenditures (add lines 1c and 1d)
- f** Lobbying nontaxable amount Enter the amount from the following table in both columns

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

- g** Grassroots nontaxable amount (enter 25% of line 1f)
- h** Subtract line 1g from line 1a If zero or less, enter -0-
- i** Subtract line 1f from line 1c If zero or less, enter -0-
- j** 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) 2014	(b) 2015	(c) 2016	(d) 2017	(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					

**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?		No
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?		No
<b>3</b> Did the organization agree to carry over lobbying and political expenditures from the prior year?	Yes	

**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>	1,651,223
<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>	865,219
<b>b</b> Carryover from last year	<b>2b</b>	63,458
<b>c</b> Total	<b>2c</b>	928,677
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	660,489
<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>	268,188
<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

Return Reference	Explanation
PART I-A, LINE 1	NARAS, 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

**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.**  
**Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047  
**2017**  
**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
<b>1</b> Total number at end of year		
<b>2</b> Aggregate value of contributions to (during year)		
<b>3</b> Aggregate value of grants from (during year)		
<b>4</b> Aggregate value at end of year		
<b>5</b> 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	
<b>6</b> 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)

Preservation of land for public use (e g , recreation or education)       Preservation of an historically important land area

Protection of natural habitat       Preservation of a certified historic structure

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 Year	
<b>a</b> Total number of conservation easements	<b>2a</b>	
<b>b</b> Total acreage restricted by conservation easements	<b>2b</b>	
<b>c</b> Number of conservation easements on a certified historic structure included in (a)	<b>2c</b>	
<b>d</b> Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	<b>2d</b>	

**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 ► \$ \_\_\_\_\_

**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>c</b> Beginning balance             |        |
| <b>d</b> Additions during the year     |        |
| <b>e</b> Distributions during the year |        |
| <b>f</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 in 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 . . . . .	75,976,177	65,009,235	57,891,733	51,670,203	38,275,062
<b>b</b> Contributions . . . . .	750,169	4,800,011	7,186,805	5,972,154	9,000,342
<b>c</b> Net investment earnings, gains, and losses	4,347,271	6,741,834	416,680	706,545	4,691,434
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .	626,826	574,903	485,983	457,169	296,635
<b>g</b> End of year balance . . . . .	80,446,791	75,976,177	65,009,235	57,891,733	51,670,203

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a** Board designated or quasi-endowment ▶ 100 000 %
  - 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
- |  | Yes              | No |
|--|------------------|----|
| <b>(i)</b> unrelated organizations . . . . .   | <b>3a(i)</b> Yes |    |
| <b>(ii)</b> related organizations . . . . .  | <b>3a(ii)</b>    | No |
| <b>b</b> If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . . | <b>3b</b>        |    |
- 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	3,109,648	2,405,383
<b>d</b> Equipment . . . . .		3,742,530	3,503,101	239,429
<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 10(c) ) . . . ▶				2,644,812

**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) OTHER SECURITIES	16,957,274	C
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 12.)	16,957,274	

**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> (Column (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	18,133,731
(2) DUE FROM LATIN ACADEMY OF RECORDING ARTS & SCIENCES, INC	123,375
(3) ROYALTY RECEIVABLE DUE FROM LATIN ACADEMY OF RECORDING ARTS & SCIENCES, INC	1,163,697
(4) DUE FROM MUSICARES FOUNDATION, INC	889,697
(5) OTHER RETIREMENT LIABILITY - 457 (B)	286,512
(6) BARTER INVENTORY	259,933
(7) DUE FROM THE LATIN GRAMMY CULTURAL FOUNDATION	43,479
(8) DUE FROM GRAMMY MUSEUM FOUNDATION, INC	1,952,510
(9) MOVIE TICKETS	1,262
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15.)	22,854,196

**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	
OTHER RETIREMENT LIABILITY - 457(B)	286,512
NON QUALIFIED PENSION LIABILITY	435,334
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25.)	721,846

**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

**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.

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

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

Return Reference	Explanation
See Additional Data Table	



## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 95-6052058

**Name:** NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES INC

### Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
DUE FROM NARAS PROPERTIES, INC	18,133,731
DUE FROM LATIN ACADEMY OF RECORDING ARTS & SCIENCES, INC	123,375
ROYALTY RECEIVABLE DUE FROM LATIN ACADEMY OF RECORDING ARTS & SCIENCES, INC	1,163,697
DUE FROM MUSICARES FOUNDATION, INC	889,697
OTHER RETIREMENT LIABILITY - 457 (B)	286,512
BARTER INVENTORY	259,933
DUE FROM THE LATIN GRAMMY CULTURAL FOUNDATION	43,479
DUE FROM GRAMMY MUSEUM FOUNDATION, INC	1,952,510
MOVIE TICKETS	1,262

## Supplemental Information

Return Reference	Explanation
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

**Supplemental Information**

Return Reference	Explanation
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 FINANCIAL STATEMENTS UNCERTAIN TAX POSITIONS THAT THE COMPANY HAS TAKEN, OR EXPECTS TO TAKE, ON A TAX RETURN DURING THE YEARS ENDED JULY 31, 2018 AND 2017, THE RECORDING ACADEMY DID NOT HAVE ANY LIABILITY FOR UNRECOGNIZED TAX BENEFITS

## Supplemental Information

Return Reference	Explanation
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 NARAS, A RELATED TAX-EXEMPT ORGANIZATION THAT IS THE CONTROLLING ENTITY OF NARAS PROPERTIES, INC , TO BE USED BY NARAS AND ITS AFFILIATED TAX EXEMPT ORGANIZATIONS THE PROPERTY IS IN THE PROCESS OF BEING PREPARED FOR COMMERCIAL USE THE RENOVATIONS ARE EXPECTED TO BE COMPLETED DURING FISCAL YEAR ENDED JULY 31, 2020

**Schedule I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

**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.  
▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2017**

**Open to Public Inspection**

**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

(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 noncash assistance	(h) Purpose of grant or assistance
(1) See Additional Data							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

**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 ▶ \_\_\_\_\_

**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 noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1) SCHOLARSHIPS	8	20,000		CASH VALUE	
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

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

Return Reference	Explanation
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 ARE THEN SENT TO THE NATIONAL FINANCE SUBCOMMITTEE FOR FINAL APPROVAL A PRESENTATION IS MADE DISCLOSING INFORMATION ABOUT THE BENEFICIARY, ITS TAX-EXEMPT STATUS, THE NATURE OF THE USE OF THE FUNDS AND OTHER PERTINENT INFORMATION 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

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 95-6052058  
**Name:** NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES INC

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
GRAMMY MUSEUM FOUNDATION INC 800 WEST OLYMPIC BOULEVARD A245 LOS ANGELES, CA 90015	26-1447714	501(C)(3)	1,708,680	167,237	FMV	EVENT TICKETS, BARTER ASSETS, AND RENT	CONTRIBUTIONS AND PROGRAM SERVICE SUPPORT
MUSICARES FOUNDATION INC 3030 OLYMPIC BOULEVARD LOS ANGELES, CA 90404	95-4470909	501(C)(3)	3,487,670	331,063	FMV	EVENT TICKETS, BARTER ASSETS, AND RENT	CONTRIBUTIONS AND PROGRAM SERVICE SUPPORT

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
LATIN GRAMMY CULTURAL FOUNDATION 3470 NW 82ND AVENUE SUITE 700 MIAMI, FL 33122	46-4770436	501(C)(3)	150,000		FMV		GENERAL SUPPORT
MUSIC EDUCATION COALITION INC 202 WASHINGTON STREET SUITE 322 BROOKLINE, NY 02445	81-4015913	501(C)(3)	61,866		FMV		GENERAL SUPPORT

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
SONGWRITERS HALL OF FAME 330 WEST 58TH STREET 411 NEW YORK, NY 10019	23-7051690	501(C)(3)	18,300		FMV		GENERAL SUPPORT
INTERNATIONAL MEDICAL CORPS 12400 WILSHIRE BOULEVARD 1500 LOS ANGELES, CA 90025	95-3949646	501(C)(3)	10,000		FMV		GENERAL SUPPORT

**Schedule J**  
**(Form 990)**

**Compensation Information**

OMB No 1545-0047

**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.**  
▶ **Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**2017**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

Employer identification number  
95-6052058

**Part I Questions Regarding Compensation**

	Yes	No								
<p><b>1a</b> 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.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<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 (e.g., maid, chauffeur, chef)		
<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 (e.g., maid, chauffeur, chef)									
<p><b>b</b> If any of the boxes in 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.</p>	1b Yes									
<p><b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</p>	2 Yes									
<p><b>3</b> 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.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input checked="" type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<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				
<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									
<p><b>4</b> 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:</p> <p><b>a</b> Receive a severance payment or change-of-control payment?</p> <p><b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p> <p><b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>	4a Yes									
	4b Yes									
	4c	No								
<p><b>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b></p> <p><b>5</b> 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:</p> <p><b>a</b> The organization?</p> <p><b>b</b> Any related organization?</p> <p>If "Yes," on line 5a or 5b, describe in Part III.</p>	5a									
	5b									
<p><b>6</b> 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:</p> <p><b>a</b> The organization?</p> <p><b>b</b> Any related organization?</p> <p>If "Yes," on line 6a or 6b, describe in Part III.</p>	6a									
	6b									
<p><b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.</p>	7									
<p><b>8</b> 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.</p>	8									
<p><b>9</b> If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p>	9									



**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.

Return Reference	Explanation
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. ADDITIONALLY, THE RECORDING ACADEMY RECEIVES, AS PART OF ITS SPONSORSHIP INCOME, A FUNDED ACCOUNT THAT MAY BE SPENT ON COACH, BUSINESS AND FIRST CLASS AIRLINE TRAVEL ("BARTER TICKETS"). THE RECORDING ACADEMY HAS A POLICY TO UTILIZE BARTER TICKETS FIRST EXCEPT WHEN TRAVEL TIME, DUE TO LAYOVERS, IS A BURDEN OR IF BARTER TICKETS DO NOT PROVIDE AN AVAILABLE FLIGHT OPTION THAT IS COMPATIBLE WITH THE TRAVELER'S SCHEDULE. THE PRESIDENT/CEO AND ELECTED OFFICERS ARE PERMITTED TO FLY FIRST CLASS EITHER USING BARTER TICKETS OR NOT, ALTHOUGH THEY ARE ENCOURAGED TO FLY BUSINESS CLASS, IF 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 OR FIRST CLASS IF THE FLIGHT IS OVER TWO HOURS IN DURATION. IN THESE CASES, BARTER TICKETS ARE THE FIRST OPTION UNLESS THE ITINERARY IS NOT COMPATIBLE WITH THE TRAVELER'S SCHEDULE. FOR INTERNATIONAL TRAVEL, THE FIRST CHOICE IS BUSINESS CLASS AND THE SECOND CHOICE IS FIRST CLASS FOR ALL MEMBERS OF SENIOR MANAGEMENT (MANAGING DIRECTORS AND ABOVE). THE BOARD OF TRUSTEES MEMBERS 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 NON-QUALIFIED DEFERRED COMPENSATION PLAN WAS ESTABLISHED EFFECTIVE AUGUST 1, 2013. MR. PORTNOW ACCRUED \$96,157 THROUGH DECEMBER 31, 2017 UNDER THE PLAN, WHICH IS SUBJECT TO A SUBSTANTIAL RISK OF FORFEITURE.

**Additional Data**

**Software ID:**

**Software Version:**

**EIN:** 95-6052058

**Name:** NATIONAL ACADEMY OF RECORDING  
ARTS & SCIENCES INC

**Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(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)	1,083,865	1,375,000	47,958	117,432	11,518	2,635,773	0
	(ii)	0	0	0	0	0	0	0
1 WAYNE ZAHNER CHIEF FINANCIAL OFFICER	(i)	376,850	1,750	3,810	19,600	14,118	416,128	0
	(ii)	0	0	0	0	0	0	0
2 BRANDEN CHAPMAN EXEC IN CHARGE PROD/CBDO	(i)	326,373	1,750	3,810	19,600	22,609	374,142	0
	(ii)	0	0	0	0	0	0	0
3 EVAN GREENE CHIEF MARKETING OFFICER	(i)	327,555	126,077	3,810	18,275	33,038	508,755	0
	(ii)	0	0	0	0	0	0	0
4 DARYL FRIEDMAN CHIEF INDUSTRY, GOVT & MEM	(i)	400,223	1,750	29,742	22,600	23,146	477,461	0
	(ii)	0	0	0	0	0	0	0
5 WILLIAM FREIMUTH VP AWARDS	(i)	308,920	1,750	6,822	21,275	22,609	361,376	0
	(ii)	0	0	0	0	0	0	0
6 JASON JAMES CHIEF DIGITAL OFFICER	(i)	302,111	1,750	3,810	15,625	39,123	362,419	0
	(ii)	0	0	0	0	0	0	0
7 RICK ENGDAHL CHIEF INFORMATION OFFICER	(i)	275,932	1,750	5,322	19,950	11,458	314,412	0
	(ii)	0	0	0	0	0	0	0
8 GAETANO FRIZZI CHIEF HR OFFICER	(i)	282,748	1,750	6,822	21,275	14,009	326,604	0
	(ii)	0	0	0	0	0	0	0
9 NEDA AZAFAR VP MARKETING COMMUNICATION	(i)	237,052	1,750	3,461	14,692	9,869	266,824	0
	(ii)	0	0	0	0	0	0	0
10 LAURA SEGURA MUELLER SVP SPECIAL PROJECTS	(i)	205,120	1,750	3,409	13,298	33,369	256,946	0
	(ii)	0	0	0	0	0	0	0
11 NANCY SHAPIRO SVP SPECIAL PROJECTS	(i)	103,000	0	0	0	21,203	124,203	0
	(ii)	0	0	0	0	0	0	0

**SCHEDULE O**  
(Form 990 or 990-EZ)**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.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2017****Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

Employer identification number

95-6052058

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
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

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
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 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

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION A, LINE 2	THE FOLLOWING PEOPLE HAD BUSINESS RELATIONSHIPS CARLOS ALVAREZ AND ERIC SCHILLING MATT STILL AND TAMMY HURT NICK PHILLIPS AND JOHN BURK JOHN BURK AND MINDI AB AIR JOHN BURK AND BOO KER T JONES JOHN BURK AND SHANNON SANDERS JOHN BURK AND KEN SHEPHERD JOHN BURK AND SCOTT BILLINGTON MATT HENNESSY AND BRIAN DECK CHRISTINE ALBERT AND CARLOS ALVAREZ

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION A, LINE 6	THERE ARE THREE CATEGORIES OF MEMBERS OF THE RECORDING ACADEMY (A) VOTING 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

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	<p>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 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</p>

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
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

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
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

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 15A	<p>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 &amp; 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 DURING THE YEAR ENDED 7/31/2018, AN INDEPENDENT COMPENSATION STUDY WAS COMPLETED AND CONSIDERED IN DETERMINING COMPENSATION FOR THE YEAR AS IT RELATES TO ANNUAL INCREASES, THE CHIEF HUMAN RESOURCES OFFICER AND THE CHIEF FINANCIAL OFFICER HAVE DISCUSSED BENCHMARKING WITH HUMAN RESOURCES MANAGEMENT AND THE CHIEF FINANCIAL OFFICER OF SIMILAR ORGANIZATIONS A AGREEMENT IS OBTAINED BETWEEN THESE THREE INDIVIDUALS (CEO, CFO, CHIEF HUMAN RESOURCES OFFICER) AS TO THE VALUE OF SERVICES PROVIDED</p>

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
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

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
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

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
TANGIBLE PROPERTY REGULATION ELECTIONS	SECTION 1 263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION 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

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2017**

**Open to Public  
Inspection**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
- ▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

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

**Employer identification number**

95-6052058

**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
(1)NARAS PROPERTIES INC 3030 OLYMPIC BLVD  SANTA MONICA, CA 904045073 95-4516666	HOLD TITLE TO REAL PROPERTY	CA	501(C)(2)		NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES INC	Yes	

**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.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

**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.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No

**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

	Yes	No
<b>1</b> During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity . . . . .	<b>1a</b>	No
<b>b</b> Gift, grant, or capital contribution to related organization(s) . . . . .	<b>1b</b>	No
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .	<b>1c</b>	No
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .	<b>1d</b>	Yes
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .	<b>1e</b>	No
<b>f</b> Dividends from related organization(s) . . . . .	<b>1f</b>	No
<b>g</b> Sale of assets to related organization(s) . . . . .	<b>1g</b>	No
<b>h</b> Purchase of assets from related organization(s) . . . . .	<b>1h</b>	No
<b>i</b> Exchange of assets with related organization(s) . . . . .	<b>1i</b>	No
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .	<b>1j</b>	No
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .	<b>1k</b>	Yes
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .	<b>1l</b>	No
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	<b>1m</b>	No
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .	<b>1n</b>	No
<b>o</b> Sharing of paid employees with related organization(s) . . . . .	<b>1o</b>	Yes
<b>p</b> Reimbursement paid to related organization(s) for expenses . . . . .	<b>1p</b>	No
<b>q</b> Reimbursement paid by related organization(s) for expenses . . . . .	<b>1q</b>	Yes
<b>r</b> Other transfer of cash or property to related organization(s) . . . . .	<b>1r</b>	No
<b>s</b> Other transfer of cash or property from related organization(s) . . . . .	<b>1s</b>	Yes

**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
(1) NARAS PROPERTIES INC	D	1,000,000	FMV
(2) NARAS PROPERTIES INC	K	3,527,488	CASH VALUE
(3) NARAS PROPERTIES INC	O	73,077	CASH VALUE
(4) NARAS PROPERTIES INC	S	3,804,141	FMV



**Part VII Supplemental Information**

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

Return Reference	Explanation
SCHEDULE R, PART V	<p>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 NARAS AND MUSICARES WILL UTILIZE THE PROPERTY ONCE RENOVATIONS ARE COMPLETE, WHICH IS EXPECTED TO BE DURING FISCAL YEAR ENDED JULY 31, 2020</p>

Schedule Form 990 2012