Meet Your Trainer

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Learning Objective

To provide an overview of the CyberGrants Disbursement System, or CGDS, so users have a firm understanding of the functionality involved and can move forward in implementing this feature.

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Agenda

What is CGDS

Benefits of Using CGDS

CGDS Payments Process

Redirection of Funds

Reissues and Stale Checks
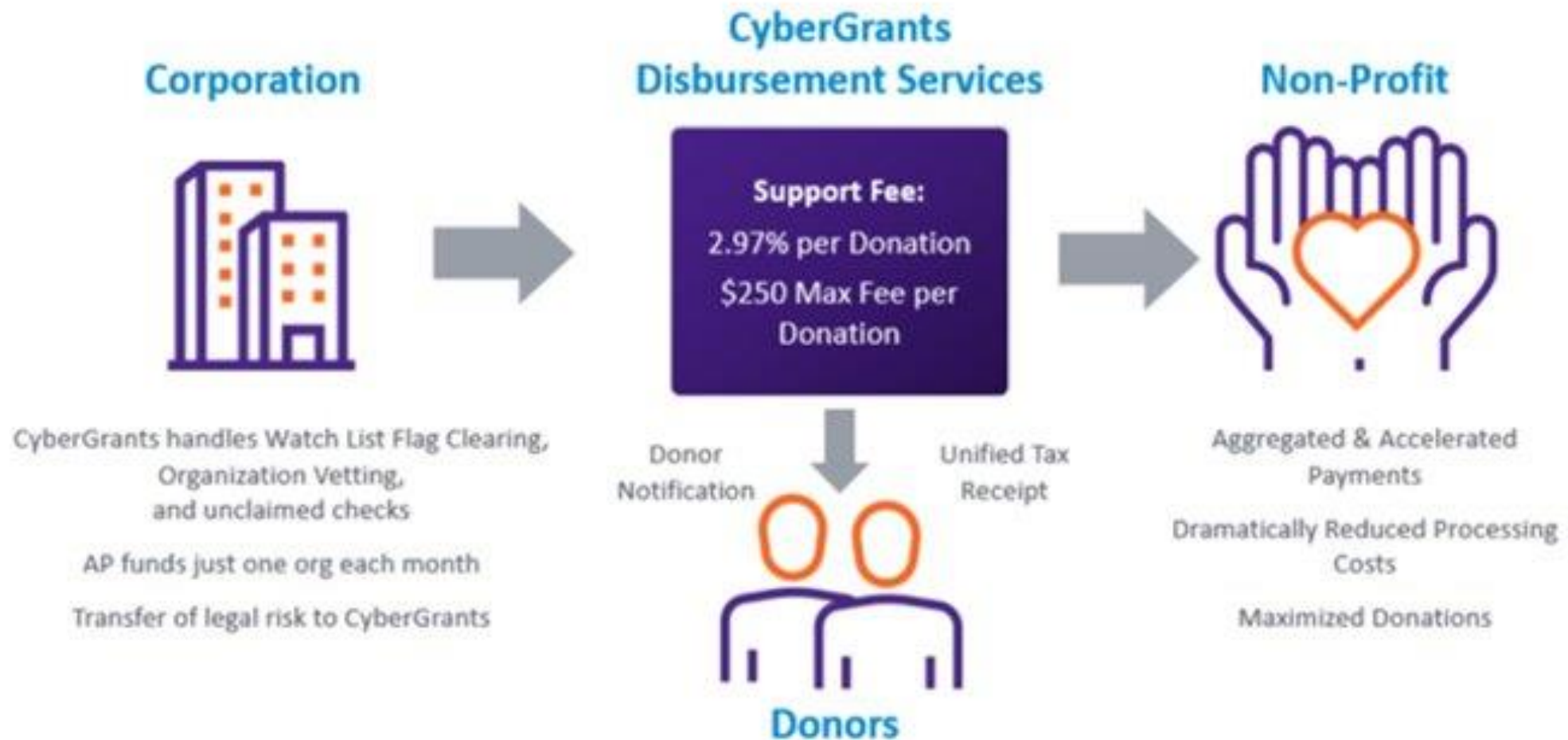
Fees and How They Are Calculated

Next Steps

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What is CGDS

CyberGrants Disbursement Solution (CGDS)

- Suite of services designed primarily to streamline the payment process through:
  - Mitigating risk,
  - Reducing operational costs and,
  - Maximizing philanthropic impact.

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CyberGrants Disbursement Solution (CGDS)

Corporation

CyberGrants handles Watch List Flag Clearing, Organization Vetting, and unclaimed checks

AP funds just one org each month

Transfer of legal risk to CyberGrants

CyberGrants Disbursement Services

Support Fee:
2.97% per Donation
$250 Max Fee per Donation

Donor Notification

Unified Tax Receipt

Donors

Non-Profit

Aggregated & Accelerated Payments

Dramatically Reduced Processing Costs

Maximized Donations

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7

Benefits of Using CGDS

Risk Mitigation and Time Savings

Risk Mitigation

- Risk is assumed by us

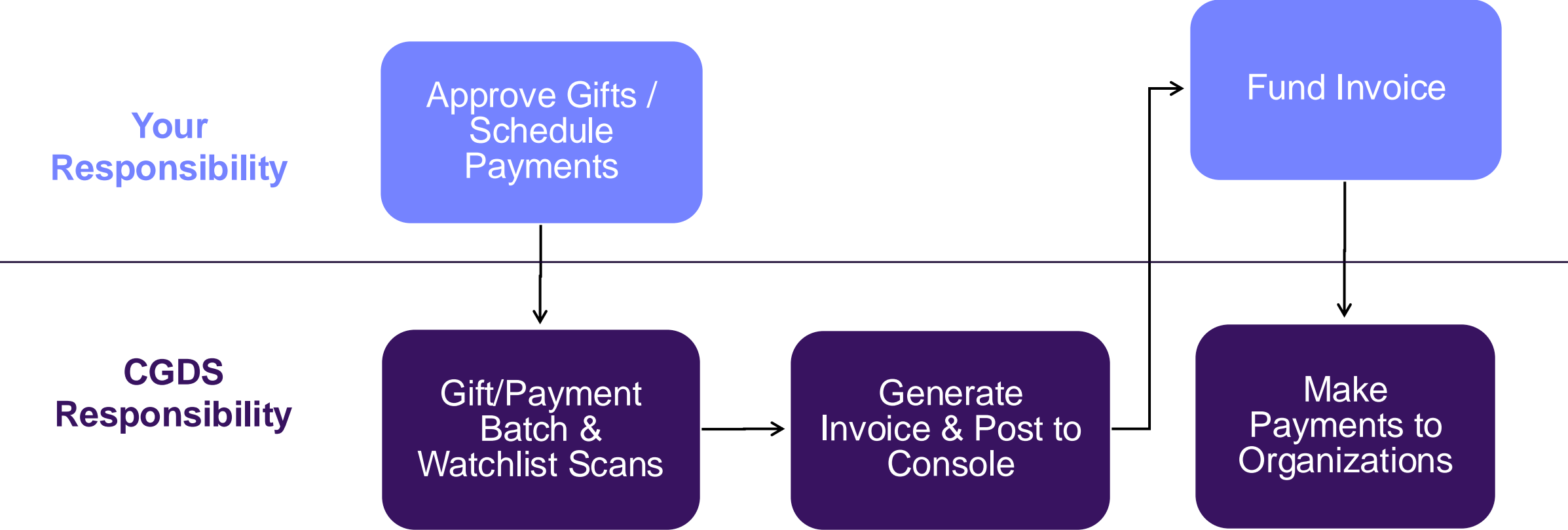- Review of gifts against watchlist data

Time Savings

- Automatic updating of non-profit contact information

- Re-issuing of payments directly through CGDS

Greater number of donations = greater ROI for you = greater impact!

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CGDS Payments Process

CGDS Monthly Payout Cycle

Your Responsibility

CGDS Responsibility

Approve Gifts / Schedule Payments

Fund Invoice

Gift/Payment Batch & Watchlist Scans

Generate Invoice & Post to Console

Make Payments to Organizations

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Phase 1: Gift and Grant Preparation for Payout

The process for preparing Grants for payment is a bit different than your employee gifts and matches. Both types of record must be Approved, but Grants must also have a scheduled payment.

Employee Engagement gifts must be fully reviewed and in ***Approved*** status

Grants must be reviewed and Approved

AND

Have a payment created in ***Scheduled*** Status

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Phase 2: Data Review and Payment Batching

There are two CGDS payment batching schedules to choose from:

- Monthly (most common)

- Quarterly

All gifts set to approved at the time of Gift Batching will be reviewed by the system to determine if they are CGDS Gift Batch Eligible.

Eligibility Criteria:

- Watchlist results are negative – no red flags

- Organization is verified via the IRS Business Masterfile

- Organization is eligible and approved for the proposal type

- Organization payee information is complete (full address/complete ACH info)

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Monthly Invoice Schedule - 2024

2024 Payout Schedule

Monthly Payout Schedule	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Client: Must schedule all grants & approve all gifts for inclusion in cycle (EOD)	1/2	2/6	3/5	4/2	5/7	6/4	7/9	8/6	9/3	10/1	11/5	12/3
CyberGrants: Batching & Watchlist Scanning	1/3	2/7	3/6	4/3	5/8	6/5	7/10	8/7	9/4	10/2	11/6	12/4
CAF: Review & Approve	1/10	2/14	3/13	4/10	5/15	6/12	7/17	8/14	9/11	10/9	11/13	12/11
CG/Client: Funding Invoices Released in Console and Client Notified	1/11	2/15	3/14	4/11	5/16	6/13	7/18	8/15	9/12	10/10	11/14	12/12

Once a client has funded, the requests for ACH and paper payments to be generated by our banking partners happen on a daily basis – like the cadence you might have with an in-house AP feed.

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Monthly Invoice Schedule - 2025

2025 Payout Schedule

Monthly Payout Schedule	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Client: Must schedule all grants & approve all gifts for inclusion in cycle (EOD)	1/7	2/4	3/4	4/1	5/6	6/3	7/1	8/5	9/2	9/30	11/4	12/2
CyberGrants: Batching & Watchlist Scanning	1/8	2/5	3/5	4/2	5/7	6/4	7/2	8/6	9/3	10/1	11/5	12/3
CAF: Review & Approve	1/15	2/12	3/12	4/9	5/14	6/11	7/9	8/13	9/10	10/8	11/12	12/10
CG/Client: Funding Invoices Released in Console and Client Notified	1/16	2/13	3/13	4/10	5/15	6/12	7/10	8/14	9/11	10/9	11/13	12/11

Once a client has funded, the requests for ACH and paper payments to be generated by our banking partners happen on a daily basis – like the cadence you might have with an in-house AP feed.

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Quarterly Schedules

If you have chosen to proceed with a quarterly payment batching schedule, you may choose from the following cycles:

Quarterly	**Quarterly-Mid**	**Quarterly-Late**
• January • April • July • October	• February • May • August • November	• March • June • September • December

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Phase 3: Funding Invoices

1. Funding Invoices are created and uploaded to the Funding Invoice Console

2. An email is auto-generated and sent to the invoicing contact at your company

3. You must fund the DAF and MAA accounts as requested in your funding invoice

DAF
Donor Advised Fund

MAA
Managed Aggregate Account

- Owned by Charities Aid Foundation (CAF), managed by Bonterra

- Primary Bank Account. Will pay around 97% of eligible charities

Eligible Charity Types:

- Most 501c3 organizations
- CAF America verified International Organizations
- Public Charities
- Public Schools, Colleges, School Districts
- Hospitals

- Owned and managed by Bonterra

- Used to fund remaining charity types that are not eligible through the DAF

Eligible Charity Types:

- Other 501c organizations (ex. 501c6, 501c4)
- Private Foundations
- Private Schools
- Supporting Organizations (509(a)3 and Foundation Code 17)

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18

Phase 3: Funding Invoices – DOs and DON'Ts

DO's

- **Fund via ACH/Wire/EFT**

- **Include Funding Invoice ID with the transmission of funds**

- **Transfer funds into DAF/MAA separately**

- **Fund entirety of invoice for organizations to be paid**

DON'Ts

- **DO NOT send funds via check**

- **Transfer DAF and MAA funds together - they are 2 different bank accounts**

- **Do not fund multiple invoices within one transmission - even if they are for the same bank account**

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Phase 4: Disbursement

Once the DAF and MAA accounts are fully funded, CGDS will begin processing these payments on the following business day.

- The status of the invoice on the console will update to "Pending Disbursement".

- You will receive a confirmation of deposit.

- If the Organization chose to receive their funds via ACH, they will typically process in 1-3 days.

- If the Organization chose to receive their funds via check, 1-2 weeks for delivery is typical.

- Payouts to international organizations are processed through CAF America, commonly, via wire transfer.

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Redirection of Funds

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What is Redirection?

If after review, we find gifts made to organizations that are out of business, lose their tax status (permanently or until further notice), or can no longer accept funds, we will **redirect** funds to another eligible entity. Funds cannot be refunded to donors. **This is not applicable for Grants payments.**

There are 2 redirection options depending on your programs and preferences.

1. **The Default Option** – We will create new payments and send them to the default organization selected in the contract automatically.

2. **The Donor Choice Option** –If payments need to be redirected, the donors will receive an email asking them to log in to their profile and select a new DAF-eligible organization for their previously donated funds to go to. **Donors have 10 days** to select a new organization and will receive a reminder email at 5 days. *If the donor does not select an organization within that time frame, the funds will be sent to the default organization that the client has selected in their contract.*

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Credit Memo

If a grant is unable to be received by an NPO, the funds will be issued to the client through a Credit Memo which can be automatically applied to:

- Future employee donations,

- Company matches and/or,

- Grant payments.

Visible through the Credit Memo

Console on the Admin tab.

Reissues and Stale Checks

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Reissuing Payments through CGDS

Reissue by Request

Upon request by the recipient organization, we will:

- ✓ Confirm that the payee information is correct and,
- ✓ Verify that the check was not deposited then,
- ✓ Void and reissue the check.

If paid to an international organization, we will collaborate with CAF America to verify the organization's information.

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Reissuing Payments through CGDS

Reissuing Stale Checks

Checks go stale after 180 days.

Once that 180 days has been met, our Organization Vetting Team will review the organization and update the address to reissue to the correct location.

If upon the review we find that the organization is ineligible *(i.e tax status revoked, org has closed down etc),* then we will reject the organization, and the gift will be moved to the redirection process.

A similar process is followed in collaboration with CAF America for international payments.

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Fees and How they are Calculated

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How Fees are Calculated

There is a service fee associated with using CGDS of:

- 2.97% for U.S. and Canada (cap of $250 per individual transaction/gift) and,

- 5% for International (non-U.S./non-Canada) credit card and match payments.

You can choose to cover this fee for your employees. If you do not choose to cover fees, each transaction will have the applicable percentage deducted from the total before paying to the non-profit.
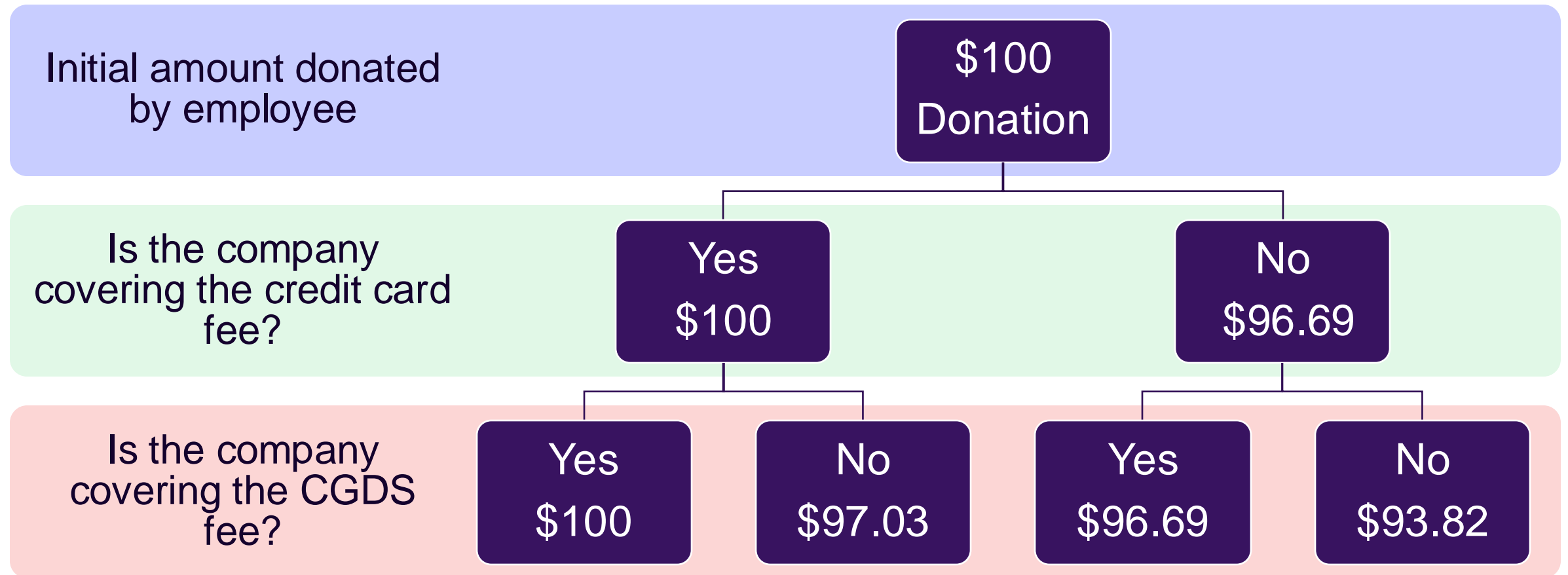
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How Fees are Calculated

If the transaction was a *Credit Card Donation* there is an additional merchant fee that must be paid to the creditor. This fee is approximately 3.31% - 4.21% *(for AMEX).*

- This fee amount is standard for all credit card transactions

- This fee will be deducted from the credit card donation prior to the CGDS fee.

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Fees & Impact on Credit Card Donated Funds

Initial amount donated by employee

$100 Donation

Is the company covering the credit card fee?

Yes $100

No $96.69

Is the company covering the CGDS fee?

Yes $100

No $97.03

Yes $96.69

No $93.82

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Next Steps

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Decisions for Account Configuration

- What Fees will you be covering? What should be deducted from the individual donations?

- What will your default redirection organization be?

- Will you be offering donor choice redirections?

- Will you be using the DAF and MAA or only the DAF? *(DAF is required for international payments through CAF America)*

- Which Proposal Types will be configured for CGDS?

- Funding Invoice Contact Information *(Must be a system Admin)*

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Set us up as a vendor!

In order to fund the DAF and MAA accounts when your funding invoice in generated, you will need to set us up as vendors in your AP system:

DAF

Account Title: Charities Aid Foundation America

Account Number: 8026377048

Routing Number: 031207607

Bank Address: PNC Bank, N.A.
                    2 Tower Center Blvd
                    East Brunswick, NJ 08816

MAA

Account Title: CyberGrants SPV LLC

Account Number: 8026377013

Routing Number: 031207607

Bank Address: PNC Bank, N.A.
                    2 Tower Center Blvd
                    East Brunswick, NJ 08816

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Additional Resources

- Help Center accessible from the top right hand user badge in CyberGrants

Additional Training Opportunities

- On-demand Videos available in our [Bonterra Academy](#)
- Additional webinars and training content to come!