

Grant Application Glossary of Terms

Audited Financial Statements – The highest level of assurance of an organization’s financial statements. A nonprofit would engage a Certified Public Accountant to prepare its financial statements. Organizations with gross support and revenue of more than \$500,000 in a fiscal year are required to submit audited financial statements as part of their application.

Balance Sheet – A financial statement that presents an organization’s financial position at a certain specified date. The date of the balance sheet of this should be within 4 months of the grant submission date. Organizations with gross support and revenue of less than \$200,000 are required to submit a balance sheet as part of their application.

Benefiting Organization – The organization that would receive funding if granted. This generally is the name on file with the IRS.

Employer Identification Number (EIN) or Tax ID – This nine-digit number is used to identify a business entity. You can find this number on your IRS 501 (c)(3) Determination Letter.

Fiscal Sponsor – A nonprofit organization that shares its IRS 501(c)(3) tax-exempt status with another charitable group. The sponsor accepts all financial and legal liabilities for that group.

Fiscal Sponsorship Agreement Form – This is a CFWM form that must be completed by both a fiscal sponsor and the organization they are fiscally sponsoring in order to be eligible to submit a CFWM grant application. The completed form along with addition requirements must be submitted to CFWM 10 business days prior to the deadline of any grant competition for which the fiscally sponsored project would like to apply. The CFWM must approve the fiscal sponsorship agreement before a funding request will be considered.

Fiscally Sponsored – A group that is doing charitable work but is not recognized as tax-exempt under IRS code 501(c)(3). The group has a formal agreement in place with a like-minded recognized 501(c)(3) who will be able to receive charitable contributions on their behalf. For information on CFWM’s requirements for projects seeking to apply for grants using a fiscal sponsor, click [here](#).

Fiscal Year End Date – The completion of a 1-year, or 12-month, accounting period. The month and day are what we seek but our software system requires a year to be stated as well. Example: 7/1/17-6/30/18.

Gap Year – When it comes to our requirements for financial documentation we are looking for two consecutive years of financial information with one year being the current 12-month operating budget and the other document being financial information from the fiscal year prior. The size of an organization’s gross revenue indicates what we are looking for in terms of financial documentation. For organizations that have gross revenue of \$200,000+, there can be a “gap year” of information due to an organization’s current annual operating budget and audit or reviewed financial statements not being consecutive due to an audit or review being in process. When this is the case we require three years of financial information.

Example of an organization with gross revenue between \$200,001-\$500,000 with a fiscal year end date of December 31st.

Annual Operating Budget: 1/1/18-12/31/18.

*Reviewed Financial Statement: 1/1/17-12/31/17. If this year is not yet available from the accountant then the following items should be submitted in addition to the 1/1/18-12/31/18 annual operating budget:
Income and Expense Statement: 1/1/17-12/31/17 and
Reviewed Financial Statement: 1/1/16-12/31/16.*

Example of an organization with gross revenue of \$500,001 and above with a fiscal year end date of December 31st.

Annual Operating Budget: 1/1/18-12/31/18.

Audit: 1/1/17-12/31/17. If this year is not yet available from the accountant, then the following items should be submitted in addition to the 1/1/18-12/31/18 annual operating budget:

Income and Expense Statement: 1/1/17-12/31/17 and

Audit: 1/1/16-12/31/16.

Governing Board – A listing of the members of the organization’s board. This list should include the name of each of the board members and their affiliation (i.e. profession and/community represented). The board list should be current as of the grant submission date.

Gross Revenue – The amount of money that your organization earned through sales, services and other means.

Income and Expense Statement – A financial statement that summarizes the financial activity of an organization for a given period of time. It represents the income, expenses and change in net assets for the period. We are looking for a 12-month period based on the organization’s fiscal year. For our application this information is required in one of two circumstances. For organizations with gross revenue of less than \$200,000 it would be act as the prior year financials. For organizations with gross revenue of \$200,000 or greater where there is “gap year” of financial information between the current operating budget and the prior year financials, the income and expense statement for the year in between is required.

IRS 501(c)(3) Determination Letter – Letter issued by the Internal Revenue Service indicating an organization’s tax exempt status. The letter provides: the contact name for the organization; the nonprofit’s employer identification number; date of determination; and its basic reporting responsibility. The letter also indicates where the nonprofit is a public charity or a private foundation. Generally each organization is issued one original IRS determination letter and it is the responsibility of the organization to keep the original safe. If the original determination letter is misplaced or contact information is updated the organization can request an affirmation letter from the IRS to confirm the changed information and the organization’s charity status. CFWM accepts a copy of the IRS determination letter for our grant applications.

Operating Budget – A detailed projection of all estimated income and expenses for a 12-month period based on the organization’s fiscal year.

Project Budget – A detailed projection of all estimated costs and projected income to cover these costs. The project budget should reflect the time frame indicted by the Project Start Date and the Project End Date.

Project Contact – The person who is most knowledgeable about the project and in most circumstances is the one in charge of implementing the project. This is the person we will contact for a grant review.

Prior Year Financials – We are seeking, at minimum, two consecutive years of financial information. One year is the current annual operating budget and the other year would be the prior year. For example, if the current fiscal year is 7/1/17-6/30/18 then we would be seeking the annual operating budget for 7/1/17-6/30/18 and the prior year financials for 7/1/16-6/30/17.

Reviewed Financial Statements – A review provides limited assurance of an organization’s financial statements. A nonprofit would engage a Certified Public Accountant to prepare its reviewed financial statements. Organizations with gross support and revenue of \$200,001 and more but less than or equal to \$500,000 in a fiscal year would submit reviewed financial statements as part of their grant application.

Short Term Results – What you expect to be the consequences of your effort/project in 12 months or less.

Top Executive Name – The name of the person who is responsible for leading the organization. For a staffed organization this is generally the Executive Director, CEO or President. For volunteer organizations this is generally the Board President.