Capacity Building Training #2: Financials

Presented by: Christine Sullivan, VP, Controller
1. General Required Documents
2. Budget Documents
3. Budget Narrative
General Required Documents

To be submitted with Grant Application
General Required Documents

• Prior Year Audited Financial Statements
  • Funder may request to include management letter if a modified opinion was issued and the formal agency response to management letter

• Annual Report if agency does not have Audited Financial Statements
  • Recommended format includes a Balance Sheet and Profit and Loss Statement

• Filed annual 990
  • All forms acceptable that apply to agency: 990-N, 990-EZ, full 990 form, 990-PF

• 501(c) determination letter
Form W-9

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Part I

Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a married joint return or if you file as a qualifying joint return, see the instructions for Part II later. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to Get a TIN, below.

Note: If the account is in more than one name, see the instructions for line 1. Also see What Name and Number To Give the Requestor for guidelines on whose name to enter.

Part II

Certification

Unless parallel of persons, I certify that:
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not a foreign person (as defined in section 7701), that I am not exempt from backup withholding, and (iii) if I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report interest or dividends, or (ii) if the IRS has notified me that I am subject to backup withholding, and
3. I am not a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions: You must use the form W-9 if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report interest and dividends on your tax returns. For non-real estate transactions, form W-9 does not apply. For mortgages, interest paid, acquisition or abandonment of stock in publicly held corporations, cancellation of debt, gifts to an individual engaged in a trade or business, and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II later.

Sign Here

Date

United Way

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), your federal employer identification number (EIN), your taxpayer identification number (TIN), or your employer identification number (EIN). If your employer identification number (EIN) or employer identification number (EIN) on a Form 1099-MISC (which relates to trade or business transactions) or Form 1099-INT (interest earned or paid) or Form 1099-DIV (dividends, including those from stocks or mutual funds), or Form 1099-S (cancellation of debt) or Form 1099-B (brokerage transactions), or Form 1099-A (sale of home) or Form 1099-C (cancellation of debt) or Form 1099-D (interest paid), or Form 1099-E (Social Security or Railroad Retirement payments) and the requester with a TIN, you may be subject to backup withholding. See What Is Backup Withholding, above.
AUTHORIZATION AGREEMENT FOR AUTOMATIC DEPOSITS (ACH CREDITS)

AGENCY
NAME  Sample Company 123

AGENCY
FEDERAL ID  12-3456789

I (we) hereby authorize Valley of the Sun United Way, hereinafter called AGENCY, to initiate credit entries to my (our) Checking Savings account (select one) indicated at the depository named below, hereinafter called DEPOSITORY:

DEPOSITORY (BANK)
NAME  Wells Fargo Bank
BRANCH  100 W. Washington St 3rd Floor
CITY  Phoenix
STATE  AZ  ZIP  85003
ROUTING #  12210278  ACCOUNT #  0123456789

This authorization is to remain in full force and effect until AGENCY has received written notification from me (or either of us) of its termination in such time and in such manner as to afford AGENCY and DEPOSITORY a reasonable opportunity to act on it.

NAME  John Doe

(Please Print)

DATE  01/01/2022  SIGNED  John Doe

NOTE: ALL WRITTEN CREDIT AUTHORIZATIONS SHOULD PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

PLEASE BE SURE TO PROVIDE A COPY OF A VOIDED CHECK FOR VERIFICATION OF ROUTING AND ACCOUNT NUMBER. THE FORM CAN BE EMAILED TO:

Accounts Payable
FINANCE & ADMINISTRATION
Email: accountspayable@vsuw.org
Budget Documents
• Program Budget
  • Budget developed specifically for program that agency is applying funding for
  • Review grant terms for allowable vs. disallowable costs
    • Remove disallowable costs from budget or show funder will not support these expenses
  • Recommended to include both program revenue and expenses
  • Provide detailed descriptions; strongly encourage to include descriptions for “other” items
  • Spell check!
# Program Budget (include name of Program)

**Agency Name:** Sample Company 123  
**Program Date:** 7/1/22 - 6/30/23

<table>
<thead>
<tr>
<th>Program Revenue</th>
<th>Total Program Revenue</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>50,000.00</td>
<td>Secured funding from Cardinals Charities</td>
</tr>
<tr>
<td>Earned Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foundations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fundraising Events</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Government Grants &amp; Contracts</td>
<td>50,000.00</td>
<td>Secured funding from State of Arizona</td>
</tr>
<tr>
<td>Individuals</td>
<td>13,400.00</td>
<td>Projected individual donations</td>
</tr>
<tr>
<td>In-Kind Support</td>
<td>50,000.00</td>
<td>Secured in-kind donations for new beds</td>
</tr>
<tr>
<td>Investment Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>United Way Funding</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other: XYZ Funder*</td>
<td>50,000.00</td>
<td>This Pending request</td>
</tr>
<tr>
<td><strong>Total Program Revenue</strong></td>
<td><strong>213,400.00</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program Expense</th>
<th>Total Program Expense</th>
<th>Funding Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>100,000.00</td>
<td>23,430.00</td>
<td>2.0 FTE direct program personnel</td>
</tr>
<tr>
<td>Employee Benefits and Taxes</td>
<td>25,000.00</td>
<td>5,858.00</td>
<td></td>
</tr>
<tr>
<td>Employee Education and Training</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Professional Fees and Contracts</td>
<td>3,000.00</td>
<td>703.00</td>
<td></td>
</tr>
<tr>
<td>Communications (telephone, web-conferencing)</td>
<td>1,000.00</td>
<td>234.00</td>
<td></td>
</tr>
<tr>
<td>Supplies/Equipment Rental and Maintenance</td>
<td>1,000.00</td>
<td>234.00</td>
<td></td>
</tr>
<tr>
<td>Occupancy (rent, utilities, building, &amp; grounds)</td>
<td>3,500.00</td>
<td>820.00</td>
<td></td>
</tr>
<tr>
<td>Advertising/Printing and Publications</td>
<td>500.00</td>
<td>117.00</td>
<td></td>
</tr>
<tr>
<td>Travel/Meetings/Conferences</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Membership Dues/Support to Affiliate Org</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Evaluation</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Non-Payroll Insurance</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>In-Kind Expenses</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Specific Assistance for Individuals</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other Expenses*</td>
<td>60,000.00</td>
<td>18,604.00</td>
<td>Materials and supplies for beds: mattress, frames, bedding</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>19,400.00</td>
<td>-</td>
<td>Indirect expenses estimated at 10%</td>
</tr>
<tr>
<td><strong>Total Program Expense</strong></td>
<td><strong>213,400.00</strong></td>
<td><strong>50,000.00</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

*Include detail information for other categories*
• Organizational Budget
  • Not always required, but many funders request
  • Include all revenue and expenses for agency (administrative, program, and fundraising)
    • Include all government revenue and expenses
  • Budget should be based on one full agency year and align to your agency program budget year
Budget Narrative

- Narrative should be based on program budget
- Story-telling; align budget narrative to overall program narrative/ grant application
- Include ask amount in budget narrative
- Disclose what funder will be supporting if agency were awarded
- Include details that may not fit within the program budget
- Ensure character or word counts are not exceeded
Total program budget amount: amount should match the program budget developed

Timeline of proposed project: should match what is listed in your program budget

Sources and percentages of funding that agency receives?
- 65% government
- 15% corporate grants
- 10% individual donations
- 10% in-kind donations

What other funders are supporting this program?

How will program will sustain if not fully awarded?