

## Tips and Pointers

### **Assistance With the Grant Process**

Staff is available to assist potential grantees in preparing grant requests that meet the Foundation's priorities and criteria. Technical assistance from the Foundation staff in no way guarantees funding or a favorable review.

### **Helpful sites:**

<http://www.grantcenter.org/>

<http://fdncenter.org>

<http://www.firstgov.gov/Business/Nonprofit.shtml>

<http://www.compasspoint.org/>

### **Newsletters,etc.**

<http://fdncenter.org/pnd/>

<http://www.charitychannel.com>

<http://philanthropy.com/>

## **Frequently Asked Questions**

### **Grant Proposal Budget**

*Does Assisi require a special format?* No.

Please use the format you use for your agency. For the purpose of the grant application we are offering the following pointers:

Different projects require different amounts of detail for the budget. Your budget format should match the nature of your request. Begin with a short budget narrative.

*Budget Narrative* (Detailed Plan of How the Money will be Spent)

The budget narrative can also be referred to as the budget justification. Please remember you are asking the Foundation to partner with you and invest in your organization. The narrative serves two purposes: it explains how the costs were estimated and it justifies the need for the cost. The narrative may include tables for clarification purposes. Describe plans for obtaining other funding needed to carry out the project/program or organizational goals, including amounts requested of other funders. If the project/program is expected to continue beyond

the grant period, describe plans for ensuring continued funding after the grant period. List the top five funders of this project (if applying for a program grant) or organization (if applying for general operating support) in the previous fiscal year, the current year, and those pending for the next fiscal year.

### The Budget

Numbers should be specific.

Your budget should allow for contingencies.

For example, a cost of living increase will happen before the grant begins. In this case, you should base salaries on the increased salaries. Although the Foundation does not typically fund salaries, we would like to know this information so we can get a clear idea of actual costs for the project, program, or activity.

If you plan to buy equipment, contact the distributor to find out the cost of the equipment when you plan to purchase it. Explore warranty options. Is training required?

Budgets are typically divided in two parts. Some may refer to a project budget into sources and uses of funds. Others may divide it into expenses and income. Many examples are available through the Internet or from the Grant Center. Sources and uses of funds are self-explanatory. List the sources of funds; then list the uses. Select the format most appropriate for your organization. For income and expenses, the following is a typical outline.

### Expenses

- Personnel Expenses.

Personnel Expenses include the expenses for all people who will work on the project. They may be employees of your organization or independent contractors. If they are employees, list the title, the annual pay rate and, if the person will be working less than full-time or fewer than 12 months on the project, the portion of time to be dedicated to the project. If you are using employees for the project, remember to add payroll taxes (FICA, Medicare, unemployment and workers' compensation) and fringe benefits such as health insurance. You can include a portion of these costs equal to the portion of the person's time dedicated to the project.

For independent contractors or consultants, list either the flat fee you will pay or the hourly rate.

Also consider the time that may be contributed by other staff who are not directly involved.

- Direct Project Expenses

Direct Project Expenses are non-personnel expenses you would not incur if you did not do the project. They can be almost anything: travel costs, printing, space or equipment rental, supplies, insurance, or meeting expenses such as food.

- Administrative or Overhead Expenses  
Administrative or Overhead Expenses are non-personnel expenses you will incur whether or not you do the project. But if you do the project, these resources can't be used for anything else. For example, if you pay \$500 a month for an office with space for four employees, you will continue to rent the office even if the project doesn't happen. But if the project does happen, one-quarter of the office space will be occupied by the project director. So you can charge for one-quarter of your office rent, utilities and administrative costs, such as phone, copying, postage and office supplies.

### Income/Revenue

- Earned Income  
Earned Income is what people give you in exchange for the service or product your project generates. Not all projects generate income, but many do.
- Contributed Income  
Contributed Income comes in two categories: cash and in-kind. Show cash contributions first and indicate whether each item is *received*, *committed*, *pending*
- Other  
(you've made the request but no decision has been made) or to be submitted. If you plan to seek funds from a number of other funders and know you won't get money from all of them, an "other funders" line is an easy way to indicate how much **total** money you need to receive from all other sources to balance the budget.

In-kind contributions are gifts of goods or services instead of cash. They can include donated space, materials or time. If you list in-kind contributions as income in your budget, you must also show the corresponding expenses. If someone gives you something at a major discount, you would show the whole expense and then list the portion being donated under in-kind contributions.

In-kind contributions can be important for three reasons:

1. It shows all the ways in which the community is supporting your project, even though not everyone is giving cash.
2. It shows the true cost of the project -- what you would have to spend without the community support.

If you want to show in-kind for these reasons, you can either show it in the budget, as above, or simply add a footnote to the bottom of the budget.

3. If you are applying for a matching grant, the in-kind income may sometimes be used as part of the match. This will be reviewed on an individual case basis.

*Reminder about required supplementary materials for the budget:*

A financial statement from your last complete fiscal year, including a statement of income and expenses and a balance sheet showing assets and liabilities at the end of the year. An audited statement is preferred. If you are too small to be audited, call to ask whether an audited statement, please state accordingly in your budget narrative.

A budget for your current fiscal year: If you are well along in the fiscal year, show actual year-to-date income and expenses next to the budget projections. A budget for the next fiscal year may be helpful if you are within three or four months of the new year.