

ArtsWave Grant Writing Workshop
Making “Cents” Out of Grant Writing: Financial Documentation and Budgets

Let's Get FUNK-y!

- **F – File for your Federal Tax Identification Number and Tax Exempt Status and register with your State government officials**
- **U – Understand the acronyms that identify your organization**
- **N – Never be late in filing your taxes or reports**
- **K – Know your financial documents**

- File for your tax identification number (EIN): www.irs.taxid-us.com
- Apply for 501(c)3 tax-exempt status: www.irs.gov
- File with the Ohio Secretary of State: www.sos.state.oh.us
- File with the Ohio Attorney General: www.charitable.ohioago.gov/charity-registration
- For government funding, file with www.SAM.gov to obtain your Unique Entity Identifier (UEI)
- For certain government funding, register at www.federal.famr.us/CAGE-code for your Commercial and Government Entity Code (CAGE)
- File your annual federal tax return (990) with the IRS
- File annual reports with your state governmental agencies as required

- **Annual Operating Budget** - A statement of *projected* revenues and expenses over a twelve-month period. This is the entire picture of an organization versus the specific project budget.
- **Income or Profit & Loss Statement** - Reflects *actual* revenues and expenses during a particular period.
- **Balance Sheet or Statement of Financial Position** - A statement of the assets, liabilities, and capital of a business or other organization at a particular point in time. What you “own” versus what you “owe”.
- **Cash Flow Statement** - Provides aggregate data regarding all cash inflows and all cash outflows that pay for business activities and investments during a given period. The purpose of a cash flow statement is to provide a detailed picture of what happened to

a business's cash during a specified period, and demonstrates an organization's ability to operate in the short and long term.

- **Financial Statement Audit** - The examination of an entity's financial statements and accompanying disclosures by an independent auditor. Typically asked for by a grantor when applying organization meets a certain budget size or when government funding is involved.
- **Fiscal Agent** - A fiscal agent, fiscal sponsor, or financial agent is a proxy that manages financial matters on behalf of another party; If using a fiscal agent, be prepared to provide their EIN and a copy of your contractual arrangement with them, as well as any additional financial or support documents requested. A fiscal agency and fiscal sponsorship both represent an arrangement between your entity and a nonprofit organization with 501(c)(3) tax-exempt status. However, with a sponsorship, fiscal control over a project lies with the sponsor and the arrangement must meet IRS criteria to be viable. Conversely, with a fiscal agent, the project control lies with the entity applying for the grant. The important distinction between a fiscal sponsorship and a fiscal agency arrangement is that funds contributed to a non-exempt project that has a fiscal sponsor are tax-deductible to the donor and those that are contributed to a project with a fiscal agent are not.

Writing a Project Budget

Be sure to:

- ✓ **Verify eligibility criteria and review all guidelines for the grant**
- ✓ **Complete the budget template provided making certain that it is balanced**
- ✓ **List all current and pending sources of funding and anticipated expenses**
- ✓ **Include in-kind and/or volunteer revenue at a current rate specified for their compensation**
- ✓ **Pay participating individuals at the professional rate of the specific discipline**
- ✓ **Double check your math**

PROJECT REVENUE/SUPPORT	Budgeted	Actual
ArtsWave (Should equal requested grant amount.)		
Contributed Revenue		
Corporate/Foundation		
Government		
Individual		
Earned Revenue (Admissions, Memberships, Contract, Special Events)		
Other Revenue/Support (In-kind, Volunteer labor, or Donated goods/services, for example)		
TOTAL REVENUE/SUPPORT	\$0.00	\$0.00
PROJECT EXPENSES	Budgeted	Actual
Total Direct Program Costs	\$0.00	\$0.00
1. Artist or production fees		
2. Program staff salary support		
3. Consultants		
4. Training and professional development		
5. Materials and supplies		
6. Advertising		
7. Digital tools and technology		
8. Cultural facilities		
9. Other		
Total Indirect Salaries & Benefits	\$0.00	\$0.00
1. Administrative Costs		
2. Operating Costs		
TOTAL EXPENSES	\$0.00	\$0.00
TOTAL PROJECT SURPLUS/DEFICIT	\$0.00	\$0.00