

# CHANGE IN FINANCIAL REQUIREMENTS

## Effective Summer 2018

In an effort to simplify our grant application process, we no longer require an organizational budget. Instead, please submit one of the following:

- Independent Auditor's Report (dated)
- Independent Accountant's Review Report (dated)
- Independent Accountant's Compilation Report (dated)

If none of the above are available, please submit:

- Statement of Financial Position and Statement of Activities

Examples of these documents follow.

If your organization does not have any of the above, please contact Director of Grant Programs, Jenny Becker ([Jenny.Becker@gcrf.org](mailto:Jenny.Becker@gcrf.org)).

## Independent Auditor's Report

[Board of Directors]

[Client Name]

### Report on the Financial Statements

We have audited the accompanying financial statements of [Client Name], which comprise the statement of financial position as of December 31, 20XX, the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standard generally accepted in the United States of America. Those standards require that we are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of [Client Name] as of December 31, 20XX, and the changes in net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

[Firm Signature]

[City, State]

[Date of Auditor's Report]

## Independent Accountant's **Review** Report

[Board of Directors]

[Client Name]

We have reviewed the accompanying financial statements of [Client Name], which comprise the statement of financial position as of December 31, 20XX, the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

[Firm Signature]

[City, State]

[Date of Accountant's Report]

## Independent Accountant's **Compilation** Report

[Board of Directors]

[Client Name]

Management is responsible for the accompanying financial statements of [Client Name], which comprise the balance sheets as of December 31, 20XX, and the related statements of activities, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for the Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. **Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.**

[Firm Signature]

[City, State]

[Date of Accountant's Report]

**Statement of Financial Position**  
**As of December 31, 2015**

**ASSETS**

**Current Assets**

Cash and cash equivalents	152,846
Investments	7,223,286
Accounts receivable	23,875
Contributions and grants receivable	1,875,326
Prepaid expenses	9,255

**Non-Current Assets**

Equipment, net	125,832
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**TOTAL ASSETS** 9,410,420

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	158,246
Accrued expenses	57,218
Payroll withholding	63,432

Total liabilities 278,896

**NET ASSETS**

Temporarily restricted	2,191,553
Unrestricted (operating)	5,939,971
Unrestricted (board designated)	1,000,000

Total net assets 9,131,524

**TOTAL LIABILITIES AND NET ASSETS** 9,410,420

**STATEMENT OF ACTIVITIES**  
For the Twelve Months Ending December 31, 2015

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES</b>			
Individual donations	32,475	42,458	74,933
US government contracts	345,758	0	345,758
Foundation grants	0	6,216,832	6,216,832
Interest income	360	0	360
Investment income	2,854	0	2,854
Unrealized gain (loss)	0	0	0
Realized gain (loss)	0	0	0
Net assets released from restrictions	6,745,285	(6,745,285)	0
Total Support and Revenue	7,126,732	(485,995)	6,640,737
<b>EXPENSES</b>			
Direct program services	6,001,397	0	6,001,397
General & administrative	933,847	0	933,847
Fundraising	2,754	0	2,754
Total Expenses	6,937,998	0	6,937,998
Change in net assets	188,734	(485,995)	(297,261)
Net assets at beginning of year	6,751,237	2,677,548	9,428,785
<b>NET ASSETS AT END OF PERIOD</b>	<b>\$6,939,971</b>	<b>\$2,191,553</b>	<b>\$9,131,524</b>