

Codes Explained  
on Other  
Document

**Teaching Budget**

| <b>APPLICATION BUDGET FORM</b>   |   | A |
|--|---|---|
| Please use the following chart to submit your <i>APPLICATION</i> budget information. Use whole numbers only. |   | B |
|  |   |   |
| <b>REVENUE</b>   |   |   |
| <b>Request Amount</b>  |   | C |
| <b>Internal Funding</b>  |   | D |
| Government Funding   |   |   |
| United Way Funding   |   |   |
| Other Cash Contributions   |   |   |
| Program Service Revenue  |   | E |
| Other Revenue ( <b>please list below</b> ) (e.g. fund raising events, sponsorships)                          |   | F |
|  |   |   |
|  |   |   |
|  |   |   |
| <b>Total Revenue (This amount must equal the total expenses.)</b>  | - | G |
| <b>EXPENSES</b>  |   |   |
| Salaries, Other Compensation, Employee Benefits  |   |   |
| Fees for Services (contracted employees, vendors, consultants)   |   | H |
| Other Expenses ( <b>please list below</b> ) (e.g. equipment, supplies, pro-rated space and overhead costs)   |   |   |
|  |   |   |
|  |   |   |
|  |   |   |
| <b>Total Expenses (This amount must equal the total revenue.)</b>  | - |   |

Applicant is encouraged to include overhead expenses that make up the full cost of implementing a grant award.



## APPLICATION BUDGETS EXPLAINED

Budgets are another great tool to tell the story of the work to be done. Committee members learn how many funding sources are interested in supporting this project or program. Budgets answer the question of whether or not the organization itself has any money to spare for this work or if this new effort requires new money. Using numbers, the budgets answer some of the following questions:

- Does most of the money need to go towards staff costs?
- What about equipment and supply needs?
- Does the organization budget for the overhead costs that factor into every effort?

The letter codes on the sample budget are there to serve as a guide to the most frequently asked questions. Below we offer some answers to those questions and further insights to Community Foundation thinking around budget items.

### **A. Why a new single form?**

The previous forms were very similar to one another. Moving to a single budget form reduces the effort to find and use the correct form. Some minor changes have been made to standardize terms and improve clarity.

### **B. Why whole numbers only?**

Community Foundation grant program budgets are based on whole dollars for efficient budgeting purposes. As a result, we do not grant an amount that includes amounts under \$1.00.

### **C. If we are asking several different donor advisors for different amounts, do I need to do a separate budget for each application?**

Yes. In 2021 the Community Foundation online grant application system changed the competitive donor-advisor application process. Each competitive donor-advisor fund now requires a separate application. The budget needs to reflect this reality.

### **D. What is internal funding?**

This is funding from the organization budget to support this project, if any. It may come from a specific line item in the budget or from the organization's unrestricted funds.

### **E. What should be included in Program Service Revenue?**

Clients' payments for services, entrance fees to events and exhibits, ticket sales.

### **F. We are asking for a sponsorship for a fundraising event. What revenue should be in the budget?**

The revenue should only include the funds needed to cover the costs of the actual event. The expenses should match that. Do not include the amount to be raised from the event. That information can be mentioned in the grant application itself in Section 14.

If the request is for funding beyond the costs of the event, consider requesting general operating or program support instead.

**G. Why must the revenue amount equal the expense amount?**

Successful projects and programs are based on good planning. A balanced budget – where all income has been thought through and all expenses considered – shows good planning.

**H. What is a contracted employee?**

A contract worker, also known as an independent contractor or 1099 employee (based on the 1099 tax form they receive), is an individual who enters into a contractual agreement with a business in order to provide a service in exchange for a fee.

To be considered a contracted employee, a worker must generally meet the following requirements:

- Be responsible for paying their own taxes on the payment they receive from the business
- Use their own equipment and supplies in order to complete their contracted work
- Provide an invoice upon the completion of their work, as per their contractual agreement

Contracted workers are not technically “employees” since they provide services on a short-term or individual project basis. Their paychecks typically do not include employee benefits such as insurance.

**ADDITIONAL THINGS TO CONSIDER:**

**Prorating expenses:**

This means dividing the expense to show the proportion to be used for this project or program. For example: if a staff person spends half their time involved with the project or program described in the application, then half of their salary should be a part of the budget.

It is also important to show costs limited to Linn County. If the organization is using the same staff person to deliver programming in three counties, the budget should only include the cost of providing the services in Linn County.

**Where do I account for in kind support?**

In the revenue section, put the dollar value of the donated services or items in other revenue.

In the expense section, put the same dollar value in other expenses.

Community Foundation program officers are happy to answer any further questions regarding budgets. Contact information can be found at [www.gcrfcf.org](http://www.gcrfcf.org).

