

Texas Veterans Commission Fund for Veterans' Assistance

Application Instructions

Grant VI – August 2011

Please follow all instructions. Responses are limited to the maximum amount of words indicated with each section.

Page 1, Cover Page

- Enter the Applicant Organization Name in the form field.

Page 3, Applicant Information

- Enter Applicant Organization Information in the form fields.

Page 4, Checklist of Required Attachments

- Check the box next to each required document and ensure that the documents are included with the completed application package. If a required attachment is not included, the application will not be considered complete. (Not required of counties and municipalities.)
- Determination of Financial Stability Information
All applicants, other than counties and municipalities, must submit financial documents in order to be deemed to be financially stable by Texas Veterans Commission Fund for Veterans' Assistance (TVCFVA) and eligible to receive a grant award. TVCFVA will determine financial stability based on the required financial documentation for the immediate prior fiscal year. The documentation must be in compliance with Generally Accepted Accounting Principles (GAAP).

TVCFVA will consider the financial data provided with the Grant Application and will determine whether the organization provided sufficient financial information. A Grant Application submitted with insufficient financial data at the time of submission may not be considered for funding.

For a Grant Application that has sufficient required financial data, TVCFVA will consider a deficiency of net assets, a deficiency of net unrestricted assets, the ratio of assets to liabilities, deficiencies in cash flow, qualifications to the opinions of an independent auditor on the organization's financial statements, and any other financial data submitted with the Grant Application to determine whether the applicant is financially stable.

Required financial documentation is determined by the amount requested for the proposed project:

Amount of Grant Funds Requested	Required Financial Documents
\$500,000 - \$1,000,000	Most recent audit report, including the management letter
\$100,000 - \$499,999	Most recent audit report, including the management letter or independently reviewed financial statements
\$10,000 - \$99,999	Most recent audit report, including the management letter or independently reviewed financial statements or a compilation of financial statements (compilation report)

Financial Audits - \$500,000 - \$1,000,000

Nonprofit organizations requesting \$500,000 or more must submit indicators of financial stability as part of the Grant Application including but not limited to the following:

- The previous year's audit report, including the management letter, statement of financial position, statement of activities (income statement), statement of cash flows, and note disclosures.
- Independent auditor's opinion (standard report).
- Additionally, if the nonprofit organization is also subject to the Single Audit Act of 1996, as amended, the audit report must also include reports in accordance with Government Auditing Standards, as promulgated by the U.S. Government Accountability Office and the Office of Management and Budget Circular A-133.

What an audit entails:

To gather evidence on the reliability of the financial statements, the CPA performs "search and verification" procedures. In an audit, the CPA generally confirms balances with banks or creditors, observes inventory counting, and tests selected transactions by examining supporting documents. In addition, the CPA contacts sources outside the client organization to gather information that may be more objective than that obtained from internal sources. For example, the CPA usually obtains written confirmation from an organization's customers about amounts owed to the organization at a specific date. By accumulating this type of evidence, the CPA tries to reduce the risk that the financial statements will be materially misstated.

The auditor then issues a report stating that the financial statements are presented fairly, in all material respects and in conformity with generally accepted accounting principles.

An audit is planned and performed with an attitude of professional skepticism. The auditor designs the audit to provide "reasonable assurance" that material errors or fraud are detected. However, fraud concealed through forgery or collusion may not be found because the auditor is not trained to catch forgeries, nor will customary audit procedures detect all conspiracies.

An audit provides a reasonable level of assurance that the financial statements are free of material errors and fraud. An audit does not, however, provide a guarantee of absolute assurance.

Example audit report:

*Independent Auditor's Report
Stockholders and Board of Directors
AU Company*

We have audited the accompanying balance sheet of AU Company as of December 31, 20X0, and the related statements of income, retained earnings, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about

whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AU Company as of December 31, 20X0, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

*Able, Baker and Charlie, CPAs
February 15, 20X1*

Financial Reviews - \$100,000 - \$499,999

If the nonprofit organization is new, has not yet had the first annual audit conducted, and/or if the amount requested is \$100,000 - \$500,000, the organization may have a review prepared by an independent CPA. The review must also be prepared in accordance with the standards promulgated by the American Institute of Certified Public Accountants.

What a review entails:

The CPA obtains a working knowledge of the client organization's industry and acquires information on key aspects of the organization, including operating methods, products and services, and material transactions with related parties.

A review is designed to see whether the financial statements "make sense" without applying audit-type tests. The CPA will make inquiries concerning such financial statement-related matters as accounting principles and practices, recordkeeping practices, accounting policies, actions of the board of directors, and changes in business activities. Then the CPA will apply analytical procedures designed to identify unusual items or trends in the financial statements that may need explanation.

During a review, the CPA does not confirm balances with banks or creditors, observe inventory counting, or test selected transactions by examining supporting documents. However, a review may be adequate for a business or its creditors. If more assurance is necessary, the organization may need to engage a CPA to perform an audit.

Example review report:

*Accountant's Review Report
Stockholders and Board of Directors
XYZ Company*

We have reviewed the accompanying balance sheet of XYZ Company as of December 31, 20X0, and the related statements of income, retained earnings, and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of XYZ Company.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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 conformity with generally accepted accounting principles.

*Able, Baker and Charlie, CPAs
February 15, 20X1*

Compilation Report - \$10,000 - \$99,999

If the nonprofit organization is new, has not yet had the first annual audit conducted, and/or if the amount requested is under \$100,000, the organization may file a compilation of financial statements, including a report on compiled financial statements, a statement of financial position, statement of activities (income statement), and statement of cash flows. The compilation report must be prepared by an independent CPA. The compilation report must also be prepared in accordance with the standards promulgated by the American Institute of Certified Public Accountants.

Through compilation services, a CPA prepares monthly, quarterly, or annual financial statements. However, he or she offers no assurance as to whether material or significant changes are necessary for the statements to be in conformity with generally accepted accounting principles, the cash basis, or the income tax basis of accounting. During a compilation, the data is simply arranged into conventional financial statement form. No probing is conducted unless the CPA becomes aware that the data provided is in error or is incomplete.

Before agreeing to perform a compilation, a CPA will take a "common sense" look at the entity to decide whether the client needs other accounting services, such as help in adjusting the accounting records.

What a compilation entails:

The CPA becomes familiar with the accounting principles and practices common to the client's industry, and acquires a general understanding of the client's transactions and how they are recorded.

After compiling the financial statements, the CPA is obliged to read them and consider whether they are appropriate in form and free from obvious material errors. The CPA then issues a standard report that says that the financial statements were compiled, but because they were not audited or reviewed, no opinion is expressed.

Compilation standards permit an accountant to compile financial statements that omit footnote disclosures required by generally accepted accounting principles or another comprehensive basis of accounting (cash or income tax). This is allowable as long as the omission is clearly

indicated in the report and there is no intent to mislead users. However, when footnote disclosures have been left out, the CPA adds a paragraph to the compilation report stating that management has elected to omit disclosures. This paragraph lets the user know that if the financial statements contained this information, it might affect the user's conclusions.

A compilation is sufficient for many private companies. However, if a business needs to provide some degree of assurance that its financial statements are reliable, it may be necessary to engage a CPA to perform a review or an audit.

Example compilation report:

*Accountant's Compilation Report
Stockholders and Board of Directors
XYZ Company*

We have compiled the accompanying balance sheet of XYZ Company as of December 31, 20X0, and the related statements of income, retained earnings, and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management (owners). We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Able, Baker and Charlie, CPAs
February 15, 20X1*

Page 5, Grant Assurances

- Applicants must agree with all assurances.
- Enter the Applicant Name in the form field.
- The Assurances page must be signed and dated by the Authorized Representative (listed on page 2 as the authorized representative with signature authority) who can obligate the organization in a contractual agreement.

Part 1: Organization Information

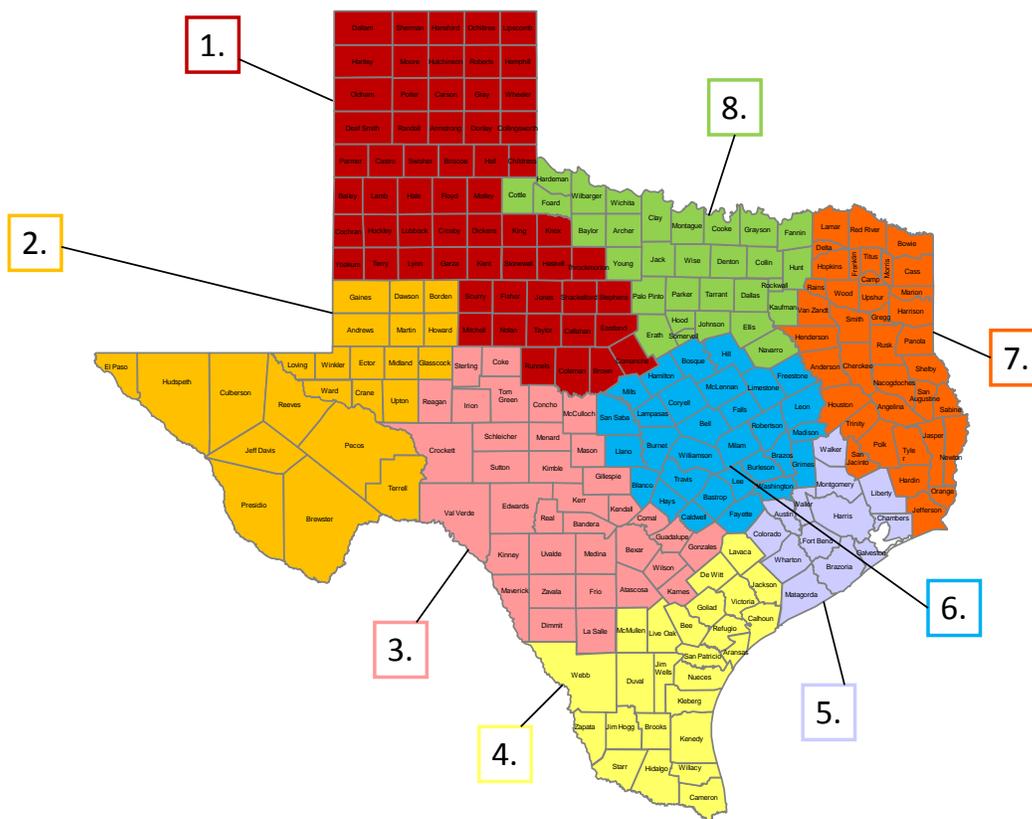
- 1.1 Organizational Overview. Write a brief description of the organization and include 1) the organization's mission statement, 2) major programs/services provided by the organization, and 3) how long the organization has provided services to Texas veterans. 300 words maximum.
- 1.2 Organizational Structure. 1) Describe the organization's structure, 2) include or attach separately a list of current board members, and 3) provide a short background of key staff. 500 words maximum.
- 1.3 Partnerships. List partner agencies/organizations and how services are coordinated to serve the community 300 words maximum.
- 1.4 Other Grants. List other grants received within the past 3 years in the table.

Part 2: Grant Project Information

- **2.1 Grant Project Service Category.** Check the box of the service category that best describes the primary function of the proposed project. If no service category matches, check “Other” and in one to two words describe the service provided by the proposed project. Definitions of service categories are as follows:
 - Counseling – peer, individual/group sessions, veteran family member counseling, PTSD/TBI, equine, co-occurring and other types of counseling
 - Employment – job skills, training, job search and other employment services
 - Family Services – youth programs, family programs, reintegration/deployment readiness programs
 - Financial Assistance – emergency financial assistance, short-term rental assistance, utility pay assistance, food, transportation assistance, and child care
 - Homeless/Housing – homeless support programs, shelter, transitional living/temporary housing, at-risk homelessness prevention, rapid re-housing,
 - Legal – Veterans Courts, legal clinics, legal aid and other legal services excluding criminal defense
 - Referral – information and referral programs
 - Supportive Services – medical assistance, elder care, food delivery programs, case management, financial counseling and other supportive services
 - Transportation – transportation assistance, transportation programs
- **2.2 Project Summary.** Provide a brief summary of the proposed project. Include the name of the project, if applicable, and services to be provided. 100 words maximum.
- **2.3 Geographic Service Area.**
 - Regions. Check all regions in which services will be provided through the proposed project. Refer to the FVA Regions Map following the listing of counties per region.
 - **Region 1:**
Armstrong, Bailey, Briscoe, Brown, Callahan, Carson, Castro, Childress, Cochran, Coleman, Collingsworth, Comanche, Crosby, Dallam, Deaf Smith, Dickens, Donley, Gray, Eastland, Fisher, Floyd, Garza, Hale, Hall, Hansford, Hartley, Haskell, Hemphill, Hockley, Hutchinson, Jones, Kent, King, Knox, Lamb, Lipscomb, Lubbock, Lynn, Mitchell, Moore, Motley, Nolan, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Runnels, Scurry, Shackelford, Sherman, Stephens, Stonewall, Swisher, Taylor, Terry, Throckmorton, Wheeler, Yoakum
 - **Region 2:**
Andrews, Borden, Brewster, Crane, Culberson, Dawson, Ector, El Paso, Gaines, Glasscock, Howard, Hudspeth, Jeff Davis, Loving, Martin, Midland, Pecos, Presidio, Reeves, Terrell, Upton, Ward, Winkler
 - **Region 3:**
Atascosa, Bandera, Bexar, Coke, Comal, Concho, Crockett, Dimmit, Edwards, Frio, Gillespie, Guadalupe, Irion, Karnes, Kendall, Kerr, Kimble, Kinney, La Salle, Mason, Maverick, McCulloch, Medina, Menard, Reagan, Real, Schleicher, Sterling, Sutton, Tom Green, Uvalde, Val Verde, Wilson, Zavala
 - **Region 4:**
Aransas, Bee, Brooks, Calhoun, Cameron, DeWitt, Duval, Goliad, Gonzales, Hidalgo, Jackson, Jim Hogg, Jim Wells, Kennedy, Kleberg, Lavaca, Live Oak, McMullen, Nueces, Refugio, San Patricio, Starr, Victoria, Webb, Willacy, Zapata
 - **Region 5:**

Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, Wharton

- **Region 6:**
Bastrop, Bell, Blanco, Bosque, Brazos, Burleson, Burnet, Caldwell, Coryell, Falls, Fayette, Freestone, Grimes, Hamilton, Hays, Lee, Hill, Lampasas, Leon, Limestone, Llano, Madison, McLennan Milam, Mills, Robertson, San Saba, Travis, Washington, Williamson
- **Region 7:**
Anderson, Angelina, Bowie, Camp, Cass, Cherokee, Delta, Franklin, Gregg, Hardin, Harrison, Henderson, Hopkins, Houston, Jasper, Jefferson, Lamar, Marion, Morris, Nacogdoches, Newton, Orange, Panola, Polk, Rains, Red River, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Titus, Trinity, Tyler, Upshur, Van Zandt, Wood
- **Region 8:**
Archer, Baylor, Clay, Collin, Cooke, Cottle, Dallas, Denton, Ellis, Erath, Fannin, Foard, Grayson Hardeman, Hood, Hunt, Jack, Johnson, Kaufman, Montague, Navarro, Palo Pinto, Parker, Rockwall, Somervell, Tarrant, Wichita, Wilbarger, Wise, Young



- Counties. List all counties to be served by the proposed project in the form field. If the service area covers the entire state, enter "Statewide."
- **2.4 Eligibility Definition.** Provide a description and definitions of who will be eligible to participate in the proposed project and how you will verify eligibility. Organizations determine

who is eligible for their own proposed projects and how eligibility will be verified. 100 words maximum.

Part 3: Reporting and Management

- **3.1 Performance Measures.** In the tables, enter in the tool(s) used to measure and track performance and the projected number of veterans and family members served.
 - Tool Used to Measure Performance Column
Describe the tool that your organization will use to measure and track performance for the project. This may be a Microsoft Excel or Access database, client sign-in sheet, log, etc. Enter the tool used for each measure or deliverable.
 - Projected Outcome Column
Enter the projected total number of unduplicated participants served by the project in the grant period for each required deliverable. The number of veterans served is required; however, if the project will not serve dependents or surviving spouses enter “N/A.” Remember that organizations awarded grants will be measured against these projected numbers throughout the grant period.
 - Additional Performance Measures Table
Complete this table if there are additional performance measures and deliverables for the proposed project. Additional performance measures/deliverables are not required.
- **3.2 Performance Reporting.** Describe how each performance measure/deliverable listed in the Performance Measures Table allows the organization to measure the success of the project. Explain which project goals are met, the tools and methods used to measure and track performance (including any specific software, program, or database used), and how each projected outcome is determined. 300 words maximum.
- **3.3 Fiscal Reporting.** Describe the plan, policies, and/or procedures for fiscal management of the proposed project and how reporting activities and grant project expenses will be managed and monitored. Describe the fiscal management system, including software used. 300 words maximum.
- **3.4 Sustainability Plan.** Describe the plan for continuing the project after the grant period ends. Include a description of the organization’s commitment to continuing the grant project using existing financial or other resources outside FVA funds. 300 words maximum.

Part 4: Budget and Budget Narrative

- **4.1 Budget Summary and Tables.**
 - Budget Information. Enter the information for the applicable questions regarding Program Period, Amount of Grant Funds Requested, Administrative Cost Percentage and Indirect Cost Rate. If including an Indirect Cost Rate, a Cost Allocation Plan MUST be submitted with the Grant Application Package. Administrative costs cannot exceed 7% of total budget requested.
 - Budget Table 1. Enter the amounts for each applicable line item for Project Costs in Column A. Enter the amounts for each applicable line item for Administrative Costs in Column B. Column C is the Total Budget, or the sum of each line item listed in Column A and B.
 - Budget Table 2 Personnel Costs Breakdown. Totals for this table MUST tie to Budget Table 1 A.3 Total Personnel Costs. Enter each personnel position individually in the Position Title column. Enter the percentage of time that each position listed will spend on the grant project. In Column A enter any applicable administrative salary and wages costs for each position. In Column B, list the total salaries and wages to be paid to that position for the

- grant period (this includes the administrative costs listed in Column A). List any applicable administrative employee benefits costs in Column C. In Column D, list the total benefits to be paid to that position for the grant period (this includes the administrative costs listed in Column C). Column E, Total Annual Salary and Fringe, is the sum of the total annual salaries and wages (Column B) and employee benefits (Column D) paid to each position.
- Budget Table 3 Breakdown of B.8 Other. Totals for this table MUST tie to Budget Table 1 B.8 Other. Enter each cost individually to be included in the Other category. Enter the amount of Project Costs in Column A, any applicable Administrative Costs in Column B. Column C is the Total Budget, or the sum of each line item listed.
 - 4.2 Budget Narrative. A description of each line item listed in Budget Tables 1, 2 and 3 MUST be included. Include a calculation demonstrating how the budgeted amount was determined. All Project and Administrative costs that are listed in the Budget Tables must be described. A.1 Salaries and Wages, A.2 Employee Benefits and B.8 Other must include every position/item included in Budget Table 2 or 3.
 - An example of a budget narrative can be found at http://www2.ed.gov/admins/grants/apply/techassist/resource_pg8.html. This is provided only as an example of how a budget narrative can be structured. Specific costs in this example budget narrative may not be allowable under this grant program. Allowable costs must follow the Fund for Veterans' Assistance Fiscal Guidelines.

Part 5: Statement of Work

- Total 2,500 words maximum for Statement of Work.
- 5.1 Detailed Description. Provide a detailed description of the proposed project including the services to be provided, how the services will be provided and the goals of the project.
- 5.2 Need Determined. Provide a description of how your organization determined, identified and assessed the need for the proposed project in the service area.
 - Remember, grant projects and funds must supplement (increase the level of services) and not supplant (replace) programs, activities, and services conducted with other funds. Organization funds may not be decreased or diverted for other purposes merely because of the availability of FVA funds. Additionally, grant funds may not be used to conduct activities or to provide services that are the same or substantially equivalent to those provided by the Texas Veterans Commission.
- 5.3 Need Met. Describe how the proposed project will meet the identified need(s).
- 5.4 Outreach. Describe how the organization will target and reach veterans to provide project services.

Part 6: Current or Previous FVA Grantees

- This section is only to be completed by current or previous FVA grantees. Organizations that have never been awarded an FVA grant will not complete this section.
- 6.1 Previous Grant Contract Number. Enter the number of the FVA grant your organization was awarded.
- 6.2 Amount Previously Awarded. Enter the amount of the FVA grant your organization was awarded.
- 6.3 Grant Period Dates. Enter the beginning and ending date of the FVA grant your organization was awarded. If you were granted an extension by amendment, be sure to enter the amended grant period.

- 6.4 Benchmarks. Check the applicable box for having met or not met performance and expenditure benchmarks. Performance and expenditure benchmarks are as follows:

Grant Period Elapsed	Portion of Total Award to be Expended	Portion of Required Performance Measures Met
25%	15%	15%
50%	40%	40%
75%	70%	70%

If you checked no, explain why performance and/or expenditure benchmarks were not met and if any Corrective Action was taken. 250 words maximum.

- 6.5 Grant Successes and Challenges. Describe the progress of the FVA grant your organization was awarded and the successes and challenges. 300 words maximum.