



## 2024 Application Review Committee Guide

Thank you for volunteering to serve on the Application Review Committee for the **Cummings \$30 Million Grant Program**. You and your fellow committee members have the vital role of determining which applicants will advance to the final stage of the selection process. We are grateful for the important contributions you will make in this critical step toward selecting the nonprofits to receive grants this May.

This guide includes a great deal of information about the review process. In addition, we are readily available to assist you if you have questions.

- Andrew Bishop, deputy director, 781-569-2337, [aeb@cummings.com](mailto:aeb@cummings.com)  
*(for general questions or further committee guidance)*
- Katie Torrey, grants coordinator, 781-569-2335, [kmt@cummings.com](mailto:kmt@cummings.com)  
*(for technical questions related to Foundant)*
- Joyce Vyriotes, executive director, 781-932-7072, [jkv@cummings.com](mailto:jkv@cummings.com)  
*(for general questions or further committee guidance)*
- Kris Wilson, foundation counsel, 781-932-7068, [ksw@cummings.com](mailto:ksw@cummings.com)  
*(for questions related to the Financial Health Review)*

### Contents

---

- Timeline
- About the Grant Program
- Our Approach to Nonprofits
- Our Guiding Principles
- Review Process
- Changes to 2024 Application
- Funding Priorities
- Eligibility
- Selection Criteria
- Allowable Activities
- Financial Health Reviewer Guidance
- Form 990 Review Guide
- Foundant Instructions

### Timeline

---

Wed., Dec. 20	Applications due from nonprofits
Mon., Jan. 8	Committee members begin reviewing applications
Varies	Committee members submit individual selections to the Foundation 48 hours before meeting with reviewer trio
Feb. 19 - 23	Committee trios meet to determine selections
Fri., Feb. 23	Committee trios submit final decisions to the Foundation
Week of May 20	Grant approval and decline letters sent via email

CFI is fortunate to have the expertise of more than 175 volunteers who dedicate their time, thoughtfulness, and experience throughout the year to various aspects of its grant-making initiatives. These volunteers review letters of inquiry, grant applications, and impact reports; complete financial reviews; attend Presentation Days; and participate in site visits. To accomplish all of this, volunteers take time away from day jobs, retirements, and families to learn about the critical work taking place across local communities. The Foundation is profoundly grateful to these individuals for the generous investment of time in this shared work.

Out of respect for, and to preserve the trust of, applicants, information learned as part of any CFI volunteer role that is not readily available through public sources must not be shared outside this committee. In addition, volunteers should forego their self-interests and never leverage applicant information for personal or professional gain (i.e., soliciting the business of an applicant).

*About the Cummings \$30 Million Grant Program*

---

This initiative awards a total of \$30 million every year to 150 nonprofits that are based in, and primarily serve, Middlesex, Essex, and Suffolk counties, plus six communities in Norfolk County: Brookline, Dedham, Milton, Needham, Quincy, and Wellesley. Cummings Foundation (CFI) and about 80 generous, insightful volunteers will first identify 150 organizations to receive three-year grants of \$30,000 - \$300,000 each. Among the winners will be first-time recipients as well as nonprofits that have previously received grants from Cummings Foundation. Then, 25 of this latter group of repeat recipients will be elevated to 10-year awards, ranging mostly from \$100,000 to \$1 million each. At the application stage, the Foundation asked that all requests be made with three-year awards in mind. Discussions about 10-year grants will take place at the end of the selection process.



*Our Approach to Nonprofits*

---

They are the heroes: the nonprofit executive directors who also serve as HR managers, development officers, and marketing managers; the program staff who work diligently and passionately, often for low pay and even less recognition; the volunteers who devote precious free time in service to others. They are the heroes—not us.

We are privileged to be in a position to support their life-changing, equity-promoting, barrier-breaking, purpose-igniting work. We are not seeking to judge, eliminate, or vote out. Rather we endeavor to learn and discover synergies so Cummings Foundation can invest in organizations and efforts that match its values and priorities and that have the most meaningful, positive, and sustainable impact on local communities.

Foundation staff and volunteers possess valuable expertise gained through varied professional and personal experiences; however, we recognize and respect the intimate knowledge that nonprofit representatives have of the causes and the people to which they have dedicated their careers. The grant candidates are the true boots-on-the-ground experts, and they deserve not just a seat at the table, but the seat at the head.

We respect the beliefs of diverse populations and the uniqueness of individuals, and we believe that all people deserve to live with dignity and to have the opportunity to improve their circumstances. We recognize that we all have biases, but we strive to be aware of them, set them aside, and eliminate them from our thinking, questions, and comments. We welcome candid reminders from others when we demonstrate an unconscious bias.

***We are most grateful for the participation of our volunteers  
and for the respect and kindness they show to all grant candidates.***

## ***Our Guiding Principles***

---

Having embarked on our collective journey of philanthropy, we pledge to work to help ensure that no one is ever left behind.

Recognizing that the dignity of every human person is fundamental, Cummings Foundation’s primary goal is to help meet the most basic needs of all people in all segments of our society.

We seek to promote and empower the social and economic inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or other status.

We will work to improve the lives of those within our priority funding regions by directly supporting the work of other effective charitable organizations.

And we will endeavor through our local outreach to aid the furthest behind first.

—Bill and Joyce Cummings



*This “color wheel” is a photo of the actual pin presented to Bill Cummings when he spoke at the United Nations in June 2019. Many of the words and sentiments here were inspired by portions of the United Nations’ document “Transforming our World: the 2030 Agenda for Sustainable Development.” Cummings Foundation, Inc. supports the [SDGs](#).*

## ***Review Process***

---

Cummings Foundation (CFI) received 715 letters of inquiry (LOI) during the 2024 grant cycle. Foundation staff first identified a number of Early Decision winners as well as any non-qualifying LOIs. The volunteer LOI Committee then reviewed the remaining 529 LOIs and identified the most promising proposals. The applicants who submitted these proposals, along with the Early Decision applicants, were invited to submit full applications. A total of 335 nonprofits received invitations and, of those invitees, 334 submitted applications.

The Application Review Committee will review 295 *non*-Early Decision applications. The committee will identify the finalists that will be forwarded to the Final Grant Selection Committees, which will then select (from this group) at least half of the grant winners—and potentially more, depending on the number of Early Decision winners.

## Early Decision Grants

Up to half of the 150 grants each year are awarded to Early Decision winners, which are determined by Cummings Foundation through an internal process. Although not exhaustive, the following list includes some reasons nonprofits might be granted Early Decision status:

- Have a longstanding positive relationship with the Cummings organization
- Are previous grant winners that have been identified as outstanding performers
- Serve a cause or area that has been designated a priority for the current grant cycle
- Are selected by CFI leadership or a Cummings Properties Executive Committee member, each of whom is invited to recommend one nonprofit annually for a grant

The other grant winners will be selected completely by volunteers, without input from CFI.

## Independent Evaluation

CFI will provide committee members with personalized Google Sheets containing the names, locations, categories (e.g., healthcare, education), and brief applicant-generated summaries for each of their assigned applications. The spreadsheets will also have blank Status and Feedback columns, to be completed by the committee members.

If possible, **it would be most helpful if you entered your feedback/comments directly into the Google Sheet as you review the applications** as opposed to working via a printed or downloaded document. This will allow CFI to look at it periodically and research any potential issues as you identify them, rather than waiting until you have completed all the reviews.

Committee members may review their assigned applications at any time by logging into Foundant, our third-party online grants management system. (See *Foundant Instructions* on page 16 for step-by-step instructions.) Volunteers who are assigned applicants that are previous grant winners are asked to also review and take into consideration the most recent site visit reports for those nonprofits.

After reviewing an application, please record a status decision and brief feedback in the spreadsheet. You may change these items at any time before notifying the Foundation that your spreadsheet is complete.

### Status

Please enter one of the following for each applicant:

- *Advance*: to recommend that it advance to the final application stage
- *Decline*: to recommend that it be eliminated from further consideration
- *Alternate*: to recommend an invitation to the full application stage only if an application designated “Advance” is unexpectedly removed from consideration late in the process or another trio does not advance the full number of applicants. Please choose one alternate only.

The Foundation will provide you with the number of applications to be advanced. To ensure that grants are distributed across CFI’s geographic focus area, we will also provide the maximum number of applications to be advanced from Suffolk County to ensure that it is not over-represented. Because so many nonprofits are based in Boston, it would be easy to award a majority of grants in Suffolk County. Despite not having any property in that county, Cummings Foundation includes Suffolk in its funding area because of the great needs there, as well as the great work

being done there. We must be mindful, however, that it does not receive a disproportionate number of application invitations.



One member of each review trio been designated as a **financial health reviewer**. In addition to reviewing the proposals generally, these volunteers will examine each applicant’s Form 990, balance sheet, etc. and share findings/thoughts/concerns to ensure each nonprofit’s financial health is taken into consideration when deciding whether to advance it to the next—and final—step in the selection process. Additional information for Financial Health Reviewers can be found on page 12.

Please notify Andrew Bishop when you have completed your individual review, **which we request be done at least 48 hours prior to your scheduled meeting with your committee trio**. (There is no need to email him your Google Sheet, as it resides online, and he will have access to it.) He will then combine your spreadsheet with those of your review partners and return a merged spreadsheet to the group of three. This document will go a long way toward streamlining your discussion and decision-making.

### Feedback

Please provide a few informal sentences or phrases that describe the thinking behind your decision. Because these comments will always be printed on a spreadsheet with the nonprofit’s name and city as well as the one-sentence summary provided in the application, it is not necessary to repeat any of this descriptive information in your comments.



This column is extremely important, as this is where CFI staff members look when nonprofits call seeking feedback. Because *you* are making the funding decision, CFI is relying on you to provide the insights behind these decisions. Although many foundations do not provide such feedback, we are dedicated to showing respect for the time and effort nonprofits invest in these applications and to helping them be more successful in their future grant-seeking efforts.

### Sample Feedback

- Website demonstrates effective materials and background to accomplish stated goal. I appreciate the effort to increase their services to students with special needs. They appear to have a good track record of success and a plan for making their work self-sustainable.
- Impactful program filling a critical need. The need will only increase going forward.
- There is not convincing information on how this playground will enhance science and arts learning. The proposal does not seem overly compelling.
- Extremely compelling case statement with specific goals and strong impact on the lives of their students. While perhaps not affecting the large numbers of people as other proposals, it will make a huge difference in the lives of students they help.
- Relatively small but comprehensive program offering essential support to life’s most struggling populations. They seem to do a lot with a large volunteer and small paid staff who are dedicated to their important mission.

- A good program but the situation of the population served is not as dire as some with some other social justice programs.
- Provide valuable service. Very heavily volunteer oriented. Grant would have a meaningful impact on the organization.
- Not life & death but SUPER Teen program provides an important service at a critical time in the lives of those it serves. Very targeted use of the grant money.
- This application is quite confusing and not clear about what they hope to accomplish. The language is difficult to understand and looking at their web site did not clarify either. I wonder how effective it can be if they are not able to communicate clearly their goals and method of operation.

### **Committee Trios Decision-Making**

You and two other committee members—your review trio—will be assigned the same applications. Each committee trio will include a designated financial health reviewer. Please arrange to meet with your committee trio **between February 19 and 23** at a time and place of mutual convenience to discuss your assigned applicants and decide which ones will advance in the process. If you would like to meet at Cummings Foundation’s headquarters in Woburn, please contact us, and we will be delighted to reserve a conference room for your use.

Prior to your meeting, Andrew will send the committee trio a link to a new Google Sheet with the comments and recommendations from all three volunteers, as well as a column for final decisions.

A comparison of the three members’ recommendations will quickly show where there is already consensus about applications that should be advanced (those for which *all three* members assigned the status of Advance) as well as those that should be declined (those for which *all three* members assigned the status of Decline). Members are encouraged to then discuss the applications that received different status assignments and to share their individual perspectives. The goal is to use respectful and open-minded discussion to agree upon a final list of status assignments.

After meeting with your committee trio and coming to consensus regarding status decisions, please have one member of the trio complete the final decision column on the joint spreadsheet and notify Andrew at [aeb@cummings.com](mailto:aeb@cummings.com) that the Google Sheet is complete. To help us remain on track with the remainder of the grant selection process, we ask that all spreadsheets be finalized by the end of the day on **Friday, February 23**.

### **Recommending an Alternative Installment Schedule**

Although the application asks for applicants’ preferred annual installments, ranging from \$10,000 to \$100,000, for the three-year grant, the actual disbursements are determined by CFI. To ensure sustainability, CFI does not want to be responsible for a disproportionate share of a nonprofit’s total revenue. **If you feel that a different disbursement amount than the one requested would be more appropriate for a proposal, please make a note in the Feedback column.**

## Requesting Additional Information

Committee members may contact applicants directly if they have questions about an application. (In Foundant, click on the Contact Info tab at the top of the request summary page to view the primary contact for the applicant.)

## Returning Grantees

Volunteers reviewing applications from previous grantee recipients should also review their brief site visit reports, which provide important information from Foundation volunteers who visited with the organization.

## *Changes to the 2024 Grant Application*

---

A preview of the 2024 grant application is available [online](#). CFI implemented several changes this year to make the process more accessible, particularly for smaller nonprofits seeking annual installments of \$25,000 or less.

Applicants requesting this level of funding:

- Completed an abbreviated short-form full application. Go to page 7 of the preview to see where the short-form proposal stops and, if you wish, read the supplemental questions for other applicants.
- Applied and will receive funds for general operating support. **Organization completing the short-form full application did not need to make a pitch for a specific program or need.**
- Were *not* be asked to submit a budget.
- Will be reviewed alongside other smaller organizations seeking general operating support rather than competing against much larger, more well-established nonprofits.

## *Funding Priorities*

---

### Geography

- Applicants should not only be headquartered in CFI's geographic funding footprint (Middlesex, Essex, and Suffolk counties, and a small portion of Norfolk County: Brookline, Dedham, Milton, Needham, Quincy, and Wellesley) but also provide *at least 50 percent* of their overall services in this geographic focus area. Nonprofits that meet eligibility criteria and provide some services statewide, or even in adjacent states, are eligible for consideration. Given the strong local nature of this funding program, however, local office/affiliates of regional or national organizations will not be considered, even if they meet the 50 percent threshold, *unless* they have their own EIN.
- Special consideration is given to nonprofits that are based in or serve the 11 cities and towns where the Cummings organization operates commercial real estate: Andover, Beverly, Burlington, Marlborough, Medford, Somerville, Stoneham, Sudbury, Wakefield, Wilmington, and Woburn.

### Cause

- The Cummings \$30 Million Grant Program funds a wide variety of causes, including human services, education, healthcare, and social justice.



- Causes that are *not* among this program’s priorities are athletics, arts and culture (including dance, music, and theater), the environment, and animal welfare. CFI will, however, consider requests from organizations that engage in these areas toward a goal that fits within our priorities (e.g., a program that uses theater to teach the dangers of substance abuse, a nonprofit that trains service dogs for veterans with disabilities). If an organization defines its core mission within the areas of education, social justice, healthcare or human services, then the Foundation would consider it eligible for the Cummings \$30 Million Grant Program.
- To ensure that funds benefit a wide variety of causes, the Foundation limits the number of grants awarded each year to independent organizations affiliated with the same national organization (e.g., Boys & Girls Clubs, YMCAs).

## Organization Size

- The Foundation wants grants to go where they will make a meaningful difference—not where they will be drops in buckets.
- The Cummings \$30 Million Grant Program primarily supports small and medium-sized charities that do not enjoy the stable donor bases and endowments that generously support so many larger institutions in the Boston area (e.g., major hospitals and universities).

## Eligibility

---

The Cummings \$30 Million Grant Program will *not* generally consider requests for:

- Endowments
- Medical research
- Private foundations
- Religious endeavors
- Relatively new entities
- Political, legislative, or lobbying organizations
- Individuals or debt reduction, no matter how worthy
- Major capital campaigns, unless very near completion
- Primary and secondary schools that charge significant tuition
- Very large organizations already supported by robust endowments
- Organizations that seek to infringe on civil liberties or personal freedoms
- Organizations that are not classified as public charities under Section 501(c)(3) of the U.S. Internal Revenue Service Code
- National or regional organizations, or local branches thereof, that do not have an EIN separate from that of the larger entity
- Organizations that discriminate based on race, color, gender, religion, sexual orientation, national origin, age, disability, etc.
- Municipalities (with the exception of public schools), except for the 11 communities in which the Cummings organization operates [commercial properties](#)

## Selection Criteria

---

Given the great diversity among grant recipients, we do not have a standard scoring rubric to aid in decision making. Instead, we ask committee members to rely on the key principles below, plus



their own valuable experience and good judgment, to determine which applicants should advance in the process.



In addition, we ask you to view and bear in mind [this eight-minute thought-provoking video](#) about **Recognizing Unconscious Bias**. According to University of California, San Francisco:

*“Unconscious biases are social stereotypes about certain groups of people that individuals form outside their own conscious awareness. Everyone holds unconscious beliefs about various social and identity groups, and these biases stem from one’s tendency to organize social worlds by categorizing.”*

Being aware of one’s biases can help ensure that decisions about applicants are more equitable.

### **Impact**

Transformative. Game-changer. These are words grant winners often use to describe their Cummings grants. Please look for opportunities where grant funding would have the greatest impact, bearing in mind that impact can take many forms. One nonprofit may serve a large number of people, whereas another organization might serve a much smaller number, but in a long-term or in-depth manner. Both could provide enormous value.

Preferring that grant funds not be “drops in a bucket,” this program primarily supports small and medium-sized charities that do not enjoy the robust donor bases and endowments that generously support many larger institutions. The Foundation *is*, however, open to awarding grants to larger organizations when they have presented compelling cases as to why they need *this* funding.

### **History of Success**

Cummings Foundation applauds the initiative of newly formed nonprofits that seek to meet community needs. Given the large size of the grants made through the Cummings \$30 Million Grant Program, however, the Foundation gives priority to *established* nonprofits with a *proven history* of providing value to the community. Grants may be awarded to fund new programs of established nonprofits if the application successfully demonstrates the need for the program and the organization’s capacity to fill that need.

### **Population Served**

Cummings Foundation gives priority to nonprofits that serve people who have been disadvantaged or marginalized in some way. We greatly appreciate effective programs that work to prevent or counteract discrimination due to race, religion, sexual orientation, gender identity, citizenship status, age, physical disability, etc.

### **Substance over Form**

Recognizing that applicants have varying levels of experience and expertise with both grant writing and the English language, reviewers should focus on the substance of the proposal (e.g., the merit of the mission, the need for the services, the effectiveness of the programs) rather than on more superficial aspects (e.g., grammar, writing structure).

## Other Considerations

### Fiscal Sponsorship

Fiscal sponsorship is when a nonprofit organization extends its tax-exempt status to another group. The fiscal sponsor accepts tax deductible donations on behalf of the sponsored project/organization, and accepts responsibility for the use of those funds, ensuring their application toward the intended charitable purposes. Although CFI will consider requests from organizations that have fiscal sponsors, it is more likely to fund organizations that have their own 501(c)(3) public charity statuses because of the transparency and IRS oversight that accompanies that designation.

### Grant-makers

CFI changed its eligibility requirements a few years ago to allow requests from grant-makers, which are organizations that, rather than providing services or programs, raise funds to grant them to other organizations or to individuals. Grant-makers should demonstrate that they have systems and expertise in place to ensure due diligence when vetting funding requests.

### *Allowable Activities*

---

Over the years, application reviewers have reached out to CFI staff seeking guidance as to whether certain approaches or activities in the application best align with the Foundation's funding priorities. Below are responses to some common questions about activities that are allowable and should in no way negatively impact applicants' opportunity to advance:

- **Requests for general operating expenses or salaries.** Although a specific program/project may appear more exciting, applicants should not be penalized for requesting general operating or salary funding, as this support is essential to a nonprofit's ability to provide services. If an applicant makes a strong case for the value of its mission and the impact of its services, CFI is open to providing it with general operating support. This type of flexible funding is often difficult for nonprofits to secure. If the request is for general operating expenses, the applicant does not need to detail in the budget how the funds will be spent.
- **Fair compensation for nonprofit professionals.** Cummings Foundation believes strongly that nonprofit professionals should be compensated fairly. Many people assume that they are (or should be) motivated primarily by social change, not by their paycheck. This mindset can hurt the nonprofit sector, however, leading to a brain drain and a lack of capable leadership. Recognizing and rewarding nonprofit employees with suitable compensation can lead to better retention rates and reduced turnover. The data provided in the *Employee Annual Income Disclosure* field is just one element (of many) for reviewer trios to consider when looking at each organization's larger financial picture. Reviewer trios should collectively agree that the compensation of the highest paid current employees are reasonable relative to these individuals' expertise, the scope of their work, and the organization's budget size and mission. For example, a health-focused nonprofit might employ a clinician as its leader, or an educational nonprofit's executive director could be a former school principal or superintendent. In these cases, the specialized skills needed may merit more competitive compensation to attract/retain capable leadership. If you have questions or concerns about an applicant's employee compensation, please raise it with CFI staff for further guidance. We

want to be careful not to unfairly penalize a nonprofit for the compensation levels of its key employees.

- **Requests for a high installment.** CFI encourages its grantees to have diversified funding sources and prefers that its funding not represent an outsized percentage of an organization’s budget. A general guide (more than a hard rule) is that the installment should not exceed 20 percent of an organization’s average annual revenue for the past three years. If an applicant requests more than 20 percent, however, it should not be automatically disqualified. Rather, make a note of your recommended installment so the Foundation can take it into consideration when determining award amounts. In addition, the Foundation is open to providing larger support to aid in expansion efforts if an organization has demonstrated early programmatic and operational success, an ability to attract a diverse base of individual and institutional support, and strong/talented leadership to support rapid growth,.
- **Recycled proposal language.** Recognizing that CFI is one of many current or prospective funders for applicants, and that nonprofits often have limited fundraising/development capacity, the Foundation encourages organizations to submit the same or similar material from previous LOI/application submissions, where appropriate. Of course, any recycled material should be refreshed as needed to reflect the applicants’ current activities and present circumstances.
- **Additional proposals from previously declined applicants.** Worthy organizations frequently apply multiple times before receiving a grant. Factors such as changes in the number of applications in a specific category (e.g., food insecurity) and organizational maturity can affect the chances of receiving funding. Nonprofits also often use feedback from prior review cycles to strengthen future applications. Accordingly, we ask grant reviewers to focus on the merits of the current application, rather than the number of times an organization has applied in the past or what might have “gone wrong” with the prior submission. Any prior applicant is welcome to call CFI and its staff will provide the feedback/comments collected from volunteers who evaluated prior LOIs/applications.

### *Financial Health Reviewer Guidance*

---

As part of the review process for the Cummings \$30 Million Grant Program, Cummings Foundation assesses the financial wellbeing of all applicants. Thank you for the important contributions you will make toward ensuring that the next grant winners are financially healthy.

### **Conducting Your Financial Review**

Listed below are your primary resources in reviewing an organization’s finances.

#### **1) Form 990**

- Applicants were asked to upload their most recent Form 990 or Form 990-EZ submitted to the IRS. Reviewers can easily access it for download/review from the online application submission via Foundant.
- To access publicly available Form 990s from prior years, log into your account on [Foundant](#), click **Requests & Decisions** on the toolbar, search for the organization by name, then click the hyperlinked organization name that appears in the box below on the next screen. From the *Organization Summary* page, click the box/button in the upper right corner labeled **Public Profile**, select the **990s tab**, and select the most recent Form 990 from the list.

- It is not necessary to review the entire form. Nearly all the information that would indicate an eligibility or financial health issue can be found in the sections listed on the Form 990 Review Guide (see page 15).

## **2) Financial management section of the application**

- If a nonprofit indicated that it is exempt from filing Form 990 and/or has been in existence for less than three years, it was asked to answer supplemental questions about internal controls and financial management practices. Please review and assess the response to this section, if applicable.
- The Foundation seeks to ensure that all organizations—even small or relatively new ones—have protocols and checks and balances in place that ensure good fiscal management.

## **3) Independent audit**

- An independent audit is an examination of the financial records, accounts, business transactions, accounting practices, and internal controls of a nonprofit by an independent auditor to ensure stakeholders that its financial management systems are sound. “Independent” refers to the fact that the auditor/CPA is not an employee of the nonprofit but instead is retained through a contract for services, and hence is “independent.”
- Independent audits are important for inspiring and maintaining donor trust because they demonstrate that the nonprofit is committed to financial transparency and accountability.
- Nonprofits often have limited resources and audits can be a significant expense for an organization. For small organizations, the audit may cost thousands of dollars in professional fees (excluding the internal cost of staff time preparing for and working with the auditors). If a nonprofit does not prepare an independent audit, CFI has asked the organization to briefly explain why. In the cases of newer, smaller nonprofits where an independent audit would cost prohibitive, applicants should not be penalized. Instead, the financial reviewer should take full advantage of the information offered in the 990 filing and feel empowered to reach out to the applicant to request additional information, if necessary.

## **4) Budget Form and narrative in application**

- Because all grants with annual installments of \$25,000 or less will automatically be awarded as general operating support, only applicants seeking larger grants will be asked to complete the budget form.
- Instead of asking applicants to complete a Cummings-specific budget, we switched this year to using the Philanthropy Massachusetts Common Application Budget. Because this new form allows nonprofits the flexibility of inserting their own expenditure line items, budgets will vary across organizations.
- Built on fiscal responsibility, Cummings Foundation still adheres to the ideal of doing more with less. Accordingly, it seeks to support nonprofits that maximize their resources to deliver the greatest benefit possible.
- Please assess whether the proposed program or project, or request for general operating support, seems reasonable and well aligned with the application narrative, and whether the organization has diversified sources of revenue sufficient to meet its annual expenses.
- All grants are awarded with equal annual installments over the three-year grant term (e.g., a \$75,000 grant will have three \$25,000 annual installments). CFI has found that, more often than not, applicants’ budgets remain relatively stable throughout the term of the grant,

and the funds are used in a similar manner each year. Therefore, applicants are required to submit only one year of projected budget that is reflective of the full three-year grant.

#### **5) Nonprofit's website** *(Optional)*

- Some nonprofits may link to their annual report and audited financial statements on their website.

The vast majority of financial health reviews do not raise any concerns, and the nonprofit is eligible to advance to the final stage of the grant decision process. Where questions or concerns do arise, please gather as much information as possible using the resources outlined above. It may be necessary to contact the nonprofit to request additional information to determine whether there is a reasonable explanation for the issue you have identified or whether it remains a “red flag.”

Ideally, you will be able to gather enough information from your review and outreach to the organization to provide your committee trio with a brief snapshot (in your individual reviewer Google Sheet) of any financial information that they should take into consideration when deciding whether the nonprofit should advance to the next stage of the selection process.

#### **Researching Concerns**

**Call the nonprofit:** Please use the contact information in Foundant to reach out to any organization for which you feel that there is a “red flag.” If possible, we recommend that you contact applicants by phone rather than by email to keep the interaction conversational. This also allows you to ask immediate follow-up questions, making for a more productive discussion. Please introduce yourself as a Cummings Foundation volunteer calling to gather more information as part of our financial review of all applicants.

**Reach out early:** Please contact the nonprofit as soon as possible before your trio's meeting, as it can sometimes take time to provide the answers you will be seeking. In many cases, our primary contact will need to reach out to (or put you in contact with) another colleague, a board member, or a third-party accounting firm.

**Set a respectful tone:** Because you are a representative of a funding organization speaking with nonprofits that need funding, there is a power dynamic at play. We ask you to minimize the discomfort and limitations of this dynamic by approaching the discussion with the intention of learning—not of investigating or judging. Presenting yourself with a friendly demeanor and thoughtful questions will help put the nonprofit representative at ease and pave the way for a more candid, positive conversation.

Your role is to act as a partner, giving each organization the opportunity to provide context for any potential issues you've identified as part of your review. Your opening question might go something like this:

*“It looks like nearly all your current funding comes from the government. Could you talk about any efforts to diversify your funding sources or gain financial support from the local community?”*

Or:

*“It looks like you have been operating at a deficit for a few years. Can you provide some context for those numbers?”*

Please try to use open-ended questions and avoid any language that might indicate an applicant’s likelihood of success or failure in being awarded a grant in this cycle. To close your conversation, we recommend that you thank them for their time and wish them well in continuing the important work that they do.

### **Adding Financial Health Review Comments to Reviewer GoogleSheet**

Your Google Sheet will have two additional “financial health” columns that your fellow reviewers will not have. To report your financial health findings, please follow the steps below:

- 1) Indicate in Column I any potential issues you have identified using a short description such as “revenue more than \$10 million” or “more than 80% government funded.” If you have no concerns, type “NONE.”
- 2) If a conversation with the grant applicant is needed, use Column J to briefly summarize your findings for the other two members of your committee trio, describing any information that should be taken into consideration when the group determines which applicants should be advanced or declined.

## **Form 990 Review Guide**

<b>Section of 990</b>	<b>Concern</b>	<b>Section(s) with Further Information</b>
N/A	Form 990 not filed	N/A
N/A	Most recent financial data is from 2017 or earlier	N/A
Part I, lines 3 and 4	Governing bodies that <i>are not</i> majority independent	See Page 6, Part VI, Section A. <u>Governing Body and Management</u> , and possible additional explanation on Schedule O
Part I, line 12	Revenue of \$10 million or more	See Page 9, Part VIII for detailed revenue breakdown
Part I, line 19	A significant operating deficit or multiple years with operating deficits (may require viewing multiple 990s)	See Page 10, Part IX for detailed expense breakdown
Part I, line 16a as compared to line 18	Professional fundraising fees exceeding 25 percent of expenses	<i>Follow up directly with organization</i>
Part I, line 22	Negative net assets	See Pages 11-12, Parts X - XI for details
Part IV, question 28	A “yes” response to part a, b, or c	See explanation on Schedule L
Part VI, question 2	A “yes” response	See explanation on Schedule O
Part VI, question 5	A “yes” response	See explanation on Schedule O
Part VI, question 8	A “no” response to part a or b	See explanation on Schedule O
Part VI, 10a and 10b	A “yes” response to 10a <i>and</i> a “no” response 10b	<i>Follow up directly with organization</i>
Part VIII, line 1e as compared to 1h	Government funding of more than 80 percent	Look for possible additional information on Schedule O
Part IX, line 21	Payments to national affiliate, out-of-state orgs, or chapters	Look for possible additional information on Schedule O
<b>Section of 990EZ</b>	<b>Concern</b>	<b>Section(s) with Further Information</b>
N/A	990 or 990EZ not filed	N/A
N/A	Most recent financial data is from 2017 or earlier	N/A
Part I, line 9	Revenue less than \$125,000	Look for possible additional information on Schedule O
Part I, line 18	A significant operating deficit or multiple years with operating deficits (may require viewing multiple 990s)	<i>Follow up directly with organization</i>
Part I, line 21	Negative net assets	<i>Follow up directly with organization</i>



## *Foundant Instructions*

---

*For data privacy and to protect the information of applicants/grantees, the Foundation does not make its grants management system user guide publicly available. Volunteers on grant selection and site visits committees are provided with access to applicant/grantee materials (e.g., letters of inquiry, applications, impact reports, site visit reports, contact records) to be well informed and adequately carry out relevant activities while representing Cummings Foundation.*