

**Discretionary and Greenlight Grants**

## *Audit Exemption*

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Organizations are required to submit their most recent audit when applying for a Discretionary or Greenlight Grant. The audit should be prepared by an independent and licensed certified public accountant. The financial transparency that an audit provides to funders and donors is a key element when evaluating an organization and a grant request.

The Dayton Foundation has adopted this audit policy with the following beliefs:

* An audit is a mark of responsibility, good stewardship, and a message to donors.
* An audit builds the trust and confidence of financial supporters of the nonprofit by demonstrating best practices.
* An audit sets standards and procedures of fiscal responsibility throughout the organization.
* An audit provides the best assurances that gifts made with restrictions are consistently administered in accordance with the donors’ instructions.
* An audit protects the board, staff and volunteers of a nonprofit from unwarranted charges of careless or improper handling of funds.

**Audit Exemption**

If an organization does not have an audit, an Audit Exemption must be requested by completing this form and submitting it with the Letter of Intent for a Discretionary Grant or with the application for a Greenlight Grant.

If the organization has a financial review prepared by a licensed certified public accountant, this form must be completed and the review submitted with the exemption request.

Exemptions may be granted under the following circumstances:

* Small organizations with a budget less than $200,000.
* A small organization that has completed a financial review.
* Programs within a religious institution that use the accounting practices and reviews from national or regional religious offices.
* A nonprofit facing an extenuating circumstance where an audit is not possible. Lack of financial resources for conducting an audit is not considered an acceptable reason for an exemption.



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## *Audit Exemption Form*

Please check and explain all that apply.

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| Organization Name |
| [ ]  Small organization with a budget of less than $200,000. Explain. |
|  [ ]  Religious congregations that follow the mandates of a religious oversight body including national or regional offices. Explain. |
|  [ ]  A nonprofit organization facing other extenuating circumstances. Explain. |