

Understanding Financial Health Using the IRS Form 990



Liquid Unrestricted Net Assets (LUNA)		
	Year: _____	Location in Form 990
Unrestricted Net Assets, End of Year	\$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part X, column (B), line 27</i>
Subtract Net Fixed Assets	– \$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part X, column (B), line 10c</i>
Add Mortgages:	+ \$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part X, column (B), line 23</i>
TOTAL LUNA:	<input style="width: 80px; height: 20px;" type="text"/>	
<i>Average Monthly Expenses</i>		
Total annual expense divided by 12:	\$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part IX, column (A), line 25 ÷ 12</i>
MONTHS OF LUNA:		
Total LUNA divided by avg. monthly expenses:	<input style="width: 80px; height: 20px;" type="text"/>	
Months of Cash on Hand		
Cash, Non-Interest Bearing	\$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part X, column (B), line 1</i>
Add Savings and Temp. Cash Investments	+ \$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part X, column (B), line 2</i>
TOTAL CASH & CASH EQUIVALENTS:	<input style="width: 80px; height: 20px;" type="text"/>	
<i>Average Monthly Expenses</i>		
Total annual expense divided by 12:	\$ <input style="width: 80px; height: 20px;" type="text"/>	<i>Part IX, column (A), line 25 ÷ 12</i>
MONTHS OF CASH ON HAND:		
Total cash divided by avg. monthly expenses:	<input style="width: 80px; height: 20px;" type="text"/>	

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Operating Results

	Year: _____	Location in Form 990
Unrestricted Net Assets, End of Year	\$ <input type="text"/>	Part X, column (B), line 27
Less Unrestricted Net Assets, Beginning of Year	– \$ <input type="text"/>	Part X, column (A), line 27
Change in Unrestricted Net Assets*	\$ <input type="text"/>	
<i>*Represents operating surplus or deficit for the year</i>		

Overhead Rate

Management & General Expense + Fundraising Expense	\$ <input type="text"/>	Part IX, column (C), line 25 + Part IX, column (D), line 25
Total Functional Expenses	÷ \$ <input type="text"/>	Part IX, column (A), line 25
Overhead Rate		
Supporting services divided by total expenses	<input type="text"/> %	

Indirect Cost Rate

Management & General Expense + Fundraising Expense	\$ <input type="text"/>	Part IX, column (C), line 25 + Part IX, column (D), line 25
Program Service Expenses	÷ \$ <input type="text"/>	Part IX, column (B), line 25
Indirect Cost Rate		
Supporting services divided by total program expense	<input type="text"/> %	

Reflect on the financial health of this grantee based on the metrics you have calculated: