

Federal Grant Terminology: Key Terms for Main Street Managers

This reference guide summarizes the essential federal grant terms you've learned. Keep this handy as you navigate your next grant-funded project to ensure you stay on track with compliance, budgeting, and communication.

1. **Notice of Funding Opportunity (NOFO)** - A public announcement of available grants, outlining eligibility, requirements, and deadlines.
 2. **Allowable Costs** - Expenses directly related to the project that meet the grant's terms and guidelines.
 3. **Unallowable Costs** - Expenses that cannot be reimbursed by the grant, such as entertainment or alcohol.
 4. **Matching Funds** - The portion of project costs the recipient must contribute, either through cash or in-kind services.
 5. **Indirect Costs** - Overhead or administrative expenses that aren't directly tied to a specific project but are necessary to run the organization.
 6. **Cost Sharing** - The portion of project costs not covered by the grant, which the recipient provides through cash or services.
 7. **Grant Period** - The timeframe in which the grant funds must be used, and the project must be completed.
 8. **Compliance** - Following the rules, regulations, and reporting requirements outlined in the grant agreement.
 9. **Progress Report** - A periodic report to the grantor, detailing the project's status, budget, and any challenges encountered.
 10. **Audit** - A formal review of grant expenditures and reports to ensure compliance with the grant's terms.
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Key Takeaways

- Using the right terminology is essential for successfully managing federal funds.
- Properly understanding these terms ensures smooth communication with funders and stakeholders.
- Staying compliant with grant guidelines helps avoid costly errors and keeps your project on track.