

Fundraising Terms GLOSSARY*

501(c)3 - The section of the tax code that defines nonprofit, charitable, tax-exempt organizations; 501(c)(3) organizations are further defined as public charities, private operating foundations, and private non-operating foundations. (FC)

Activities - The processes, tools, events, technology, and actions that are an intentional part of the program implementation. These interventions are used to bring about the intended program changes or results. (WKKF)

Annual giving – Annually repeating gifts programs; seeking funding on an annual or recurring basis from the same constituency; income is generally used for operating budget support. (AEF)

Assessment – the collection of relevant information that may be relied on for making decisions

Budget narrative - An explanation of what the numbers in a budget table or spreadsheet represent and how they were generated. Also known as a budget justification, budget detail or budget description. (GCS)

Capacity building - A broad term that encompasses actions that improve nonprofit effectiveness in terms of organizational and financial stability, program quality, and growth. (GS)

Capital campaign – A carefully organized, highly structured fundraising program using volunteers supported by staff and consultants to raise funds for specific needs, to be met in a specific time frame, with a specific donor goal. Allows donors to pledge gifts to be paid over a period of years. (AEF)

Case – Carefully prepared reasons why a charitable institution merits support, including its resources, its potential for greater service, its needs, and its future plans. (AEF)

Cash match – A cost-sharing match of real cash raised by the organization from other sources as a condition of the grant for the purpose of stimulating fundraising activity.

Cost-sharing – A portion of a total project cost that is paid from sources other than the funds provided by the grant award in the form of cash-match or in-kind contributions.

Endowment – Principal or corpus maintained in a permanent fund to provide income for general or restricted use of an agency, institution or program. (AEF)

Evaluation - systematic assessment of the processes and/or outcomes of a program with the intent of furthering its development and improvement

Impact - Fundamental intended or unintended change occurring in organizations, communities or systems as a result of program activities within 7 to 10 years. (WKKF)

In-kind contribution - Contributions of goods, services or expertise, rather than cash grants.

Inputs - The human, financial, organizational, and community resources a program has available to direct toward doing the work. Sometimes referred to as Resources (WKKF)

Letter of Inquiry/Letter of Interest – A letter sent to a grant making entity presenting the summary of a project proposal for which funding is being sought and asking for consideration in funding the project or receiving a full proposal. (AEF)

Major gift – A gift of significant amount (size of gift may vary according to organization’s needs and goals); may be repeated periodically. (AEF)

Statement of Need – A summary that represents the facts and evidence that support the need for the project and establishes that a nonprofit understands the problems and therefore can reasonably address them.

Non-profit (or not-for-profit) organization – Organizations of members or volunteers, classified by the Internal Revenue Service as providing a public benefit without purpose of profit for members of the corporation. (AEF)

Objective – A statement of what specifically will be accomplished in order to meet predetermined goals.

Outcomes - specific changes in program participants’ behavior, knowledge, skills, status and level of functioning. Short-term outcomes should be attainable within 1 to 3 years, while longer-term outcomes should be achievable within a 4 to 6 year timeframe. The logical progression from short-term to long-term outcomes should be reflected in impact occurring within about 7 to 10 years. (WKKF)

Outputs - Direct products of program activities and may include types, levels and targets of services to be delivered by the program. (WKKF)

Planned giving – The application of sound personal, financial, and estate planning concepts to the individual donor’s plans for lifetime and testamentary giving. (AEF)

Project Logic Model - A systematic and visual way to present and share your understanding of the relationships among the resources you have to operate your program, the activities you plan, and the changes or results you hope to achieve (WKKF)

Prospective donor – Any logical source of support, whether individual, corporation, organizations, government at all levels, or foundation. (AEF)

Stewardship – The philosophy and means by which an institution exercises ethical accountability in the use of contributed resources and the philosophy and means by which a donor exercises responsibility in the voluntary use of resources (AEF)

*** Definitions are copied or adapted as noted from:**

(AEF): Tempel, Eugene R., Timothy L. Seiler, Eva E. Aldrich, and Henry A. Rosso. *Achieving Excellence in Fundraising*. San Francisco: Jossey-Bass, 2011. 42. Print.

(FC): "[Guide to Funding Research](#)." Foundation Center, n.d. Web. 21 July 2015.

(GS): "[Where Can I Find Information on Nonprofit Capacity Building?](#)" Grant Space, n.d. Web. 21 July 2015.

(GCS): "[Writing a Budget Narrative](#)." Grant Central Station, n.d. Web. 21 July 2015.

(WKKF): "[W.K. Kellogg Foundation Logic Model Development Guide](#)." W.K. Kellogg Foundation, 2 Feb. 2006. Web. 21 July 2015.