Grant Glossary

One Sentence Definitions:

- Activities: Actions which the program or project implements.
- Administrative Costs (see Indirect Costs)
- Beneficiaries of Support: People who benefit from the support of the program.
- Budget Detail (also: Budget Narrative or Budget Justification): Explanation about the items and costs in a grant proposal's budget.
- Call for Proposals (also Grant Call or Request for Proposals - RFP): A call for grant applications on a specific topic.
- Capital Campaign: A fundraising effort to get a lot of money in a limited time.
- Co-financing: To leverage additional funding for the project.
- Community Foundation: Charities collecting funds to help a local area.
- Declaration of Honor: Formal statement of commitment to the project.
- Direct Costs: Expenses directly connected to a project.
- Eligible Costs: Permissible costs.
- Endowment: Investment assets, untouched, while its income is used.
- Evaluation: Checking if a program is working as intended and how it's achieving results.
- Foundation: Charitable groups that give money to other nonprofits with similar goals.
- Funding Guidelines: Criteria from funders about who and what they'll support.
- Gantt Chart: Visual timeline displaying the start and finish dates of elements of a project.
- General Operating Support: Money given to help an organization's daily needs.
- Grant Agreement: A contract between a money-giver and a money-receiver.
- Grant Management: Overseeing a grant after getting it.
- Grant Proposal: A written request for money explaining why it's needed.
- Impact (see Program Goals and Objectives)
- In-Kind Donation: Donations of items or services instead of money.
- Indirect Costs: Day-to-day expenses not directly tied to a project, like rent or utilities.
- Inputs: Resources that you input into the program.
- Letter of Inquiry (LOI): A brief letter introducing an organization and its funding needs.
- Logic Model: A visual way to show how a program plans to work.
- Matching Grant: A grant that requires the receiver to raise money first.
- Monitoring: Keeping track of a program's progress.
- Need Statement: Explaining the problem a grant seeks to solve.
- Outputs: Direct results of the project.
- Outcomes: The change that results from the project.
- Planning Grant: Money given to help plan a new project.
- Product Donation – This refers to the donation of products.
- Program Goals and Objectives: Goals you want the project to achieve.
- Program Officer: A foundation worker overseeing grant applications and outcomes.
- Project Evaluation: Assessment of the project.
- Project Partner: Collaborator with another entity to work on a specific project.
- Project Support: Money for a specific project or program.
- Return on Impact: Changes produced by an initiative, rather than the financial returns.
- Seed Funding: Money to start a new project.

Grant Glossary

- Site Visit: When a funder visits a nonprofit to learn more before giving money.
- Target Audience or Population: The specific group a project aims to help.
- Technical Assistance: Non-money help, like consulting or training.
- Trust-Based Philanthropy: Giving based on trust between funders and receivers.
- Unsolicited Proposals: Grant requests sent without the funder asking for them.

Detailed Definitions:

Activities: The interventions, actions, or strategies that the program implements, e.g., training sessions, workshops, mentoring.

Administrative Costs (see Indirect Costs)

Beneficiaries of Support: The individuals or groups who benefit directly from a program, project, or initiative. They are the ones who experience the positive changes or receive the help that a certain program or support is designed to offer.

Budget Detail (also: Budget Narrative or Budget Justification) – It's a written explanation about what's in the grant proposal's budget. It describes why each cost is needed and how the amounts were figured out.

Call for Proposals (also Grant Call or Request for Proposals - RFP): It's like an open invitation from a foundation asking for project ideas on a certain topic. They announce what they're interested in funding and give a deadline for when you need to send your idea. It's their way of saying, "Tell us how you'd use our money for this cause."

Capital Campaign: A focused effort to raise a lot of money quickly, usually for buying land, buildings, or making renovations.

Co-financing: Co-financing is a financial arrangement where multiple parties, such as organizations, governments, or individuals, contribute funds or resources towards a specific project or initiative. It involves the pooling of resources from different sources to cover the total cost of the project. Co-financing is often used to leverage additional funding, reduce financial risk, and promote collaboration among stakeholders in order to achieve common goals and objectives.

Community Foundation: A charity collecting money, mainly from people, to help a specific area, often supporting local nonprofits. They give money through various programs, including grants, special interest funds, specific charity funds, and scholarships. They're common in the U.S. and Canada but exist worldwide.

Declaration of Honor: A declaration of honor in a project typically refers to a formal statement or document in which individuals or entities involved in the project affirm their commitment to adhering to certain ethical, legal, or professional standards. This declaration often includes a pledge to act honestly, responsibly, and with integrity throughout the project's duration. It serves as a means to reinforce trust, accountability, and ethical conduct among project stakeholders, such as team members, partners, and participants.

Direct Costs: These are expenses directly tied to a program or service. Like in a children's sports program, it would be the costs of a coach, uniforms, equipment, and travel for games. (Indirect Costs are different).

Eligible Costs: Eligible costs refer to expenses that are considered permissible and can be reimbursed or funded within the context of a specific program, project, or grant. These costs must conform to the guidelines and regulations set forth by the funding entity or governing body. Eligible costs are typically those that are directly related to the objectives and activities outlined in the project or grant proposal, and they may include items such as personnel salaries, materials, equipment, and travel expenses that have been incurred in accordance with the project's guidelines and budget.

Endowment: Money or assets saved by a foundation or nonprofit, often in cash, stocks, bonds, or real estate. The main sum is usually untouched, while the earnings are used for grants or covering nonprofit costs.

Evaluation: Checking if a program works as intended by collecting data. It looks at the results (outcome evaluation) and how they were achieved (process evaluation). Grant requests usually need a plan for this check. Either an expert or an internal/external team might do the evaluation.

Foundation: A charity or nonprofit that gives grants to other nonprofits that match its goals. There are various kinds, like private foundations (funded by families or individuals), community foundations (public-funded), and corporate foundations (company-funded).

Funding Guidelines: Rules set by funders about who can get money and for what purposes. These rules specify location, interest areas, and eligible organizations. They also list what documents and information nonprofits should provide when applying for grants.

Gantt Chart: A type of bar chart that visually represents a project's timeline. It showcases individual tasks or phases of the project, laid out on a calendar-like timeline, indicating when each task begins and ends. By providing a clear visual of scheduled tasks juxtaposed against actual progress, Gantt charts help project managers anticipate potential bottlenecks, allocate resources efficiently, and ensure that projects remain on track. Additionally, the chart's simplicity enables team members and stakeholders to quickly grasp the project's timeline, dependencies, and milestones, making it a fundamental tool in project management.

General Operating Support: Money given to an organization to help with its main mission, not just one specific project. It can cover regular expenses like salaries or office costs. Even though foundations usually fund specific projects, they started giving more of this type of support during the pandemic.

Grant Glossary

Grant Agreement – This refers to a legal agreement between a funder and a grant recipient that outlines the terms and conditions of the grant. Upon receipt of a grant award, the grantee typically must sign the grant agreement prior to receiving funds.

Grant Management (or Project Management): Once a grant is given, this is how it's looked after. It involves checking that the goals are being met, keeping an eye on costs, and making sure all rules of the grant are followed.

Grant Proposal: This is a detailed written request asking for funding for a certain cause, program, or project. After a funder shows interest from a short letter, this longer proposal is often sent. It gives background on the organization, explains why there's a need, describes the program in detail, shows a budget and timeline, and explains how the results will be evaluated.

Impact (see also Program Goals and Objectives) Impact: Refers to the broader, more significant, longer-term changes that the program hopes to achieve. This could encompass systemic or societal-level changes.

In-Kind Donation: Instead of giving money, donors give goods or services. This could be products like computers, or services like legal advice, or even real estate. The term can also cover volunteer hours. It's a way for people or businesses to support causes even if they don't have cash to give.

Indirect Costs: These are the behind-the-scenes costs for a nonprofit. While they might not be directly linked to a specific program, they're essential for the organization to function. Think of them as the backbone costs – rent, utilities, some salaries, and other general operational expenses. They're also sometimes called overhead or administrative costs. So, when you hear about an organization's overhead ratio, they're talking about these types of expenses in relation to the overall budget. (Opposite of Direct Costs)
Inputs: These are the resources that are put into the program, such as staff time, money, materials, equipment, and facilities.

Letter of Inquiry (also Letter of Intent - LOI): Essentially, this is like an introduction or a pitch. Before diving into the detailed process of grant writing, organizations often send an LOI to gauge a foundation's interest in their project or program. This letter briefly outlines who the organization is, what they plan to do, and how much funding they're seeking. If the foundation sees potential or aligns with their interests based on this letter, they might invite the organization to submit a more detailed grant proposal. It's a way to save time and resources for both parties – a kind of screening process to ensure alignment before diving deep.

Logic Model: This tool is often used in the nonprofit and public sectors to conceptualize and communicate the sequence of actions that are believed to bring about change and result in the desired outcomes. It breaks down complex processes into digestible components, showing the flow from inputs (resources) to activities, outputs, and ultimately, desired outcomes. It serves as a "blueprint" for program implementation and evaluation.

Logic Model can be particularly useful when applying for grants because it visually showcases how an organization plans to use its resources and the impact it aims to make. It provides both the granular details and the bigger picture, helping funders understand the vision and the steps necessary to achieve it.

Matching Grant (Challenge Grant): This funding mechanism is designed to incentivize and leverage additional funding. The premise is simple: the granting organization offers to "match" funds that the grantee organization raises, either dollar for dollar or some other ratio. By doing this, the grantor encourages the grantee to mobilize resources and engage its community or other stakeholders more actively.

Monitoring (Grant Monitoring): At its core, monitoring is a system of oversight and an integral part of grant management. It involves regularly tracking and reviewing a project's activities and outputs against the expected outcomes and goals. Monitoring can help ensure that a project remains on track, funds are used appropriately, and any challenges or changes are identified and addressed promptly.

Need Statement (Statement of Need, Needs Assessment, Problem Statement): One of the foundational elements of any grant proposal, the need statement paints a clear picture of the problem or gap that the project or program aims to address. Its purpose is to convince the funder that there is a significant issue worth solving and that the proposing organization has a valid solution. Here’s a closer look:

Outputs: These are the direct and tangible products or results of the program's activities. For instance, the number of training sessions held or the number of people served.

Outcomes: The changes or benefits that result from the program. This could include changes in knowledge, attitudes, behaviors, or conditions. Outcomes are often categorized into short-term, intermediate, and long-term.

Planning Grant – This refers to a type of grant that enables an organization to plan a new project, program, or initiative.

Product Donation – This refers to the donation of products. Corporate funders usually provide this type of donation.

Program Goals and Objectives (Outcomes and Indicators, Impact, Results): These are the big things you want your program to achieve (goals) and the specific steps or targets you'll hit to get there (objectives). Think of it like a journey: the goal is your final destination, while the objectives are the milestones you'll pass along the way. To make sure your journey is successful, you set objectives that are clear, achievable, and have deadlines (just like setting SMART targets). It helps both you and those funding you to see if you're on track.

Program Officer: This is the person at a foundation who handles the details of giving out money (grants). They work with people who want funding, keep an eye on how current grants are doing, and are often the first person you'd talk to if you wanted a grant from that foundation. Think of them as the bridge between the foundation and the groups they fund.

Project evaluation: Project evaluation is a systematic and objective assessment of a project's performance, effectiveness, and outcomes. It involves the collection and analysis of data and information to measure the extent to which a project has achieved its goals and objectives. Project evaluation helps stakeholders, including funders, project managers, and participants, make informed decisions, improve project management, and ensure accountability and transparency in project implementation.

Project Partner: A project partner is an individual or organization that collaborates with another entity on a specific project or initiative. These partners typically share responsibilities, resources, and expertise to achieve common project goals. Effective project partners contribute to the project's success by working together towards a shared objective, often bringing complementary skills and resources to the table.

Project Support (Program Support): This is money given by foundations specifically for a certain project or activity. It's not for general use; it's for that specific purpose. Most of the time, this is how foundations like to give money.

Return on Impact (ROI): A play on the traditional "Return on Investment," is a concept used primarily within the nonprofit, social enterprise, and corporate social responsibility sectors. Instead of measuring financial returns, as in traditional ROI, Return on Impact seeks to quantify and evaluate the positive social or environmental changes produced by an initiative, investment, or action. This can be seen as a measure of the effectiveness of an intervention in creating desired societal benefits.

Seed Funding (Startup Funding): It's the initial money given to help kickstart or test out a new idea or project. Think of it like the "starter pack" money for new ventures.

Site Visit: It's like when someone from a foundation comes over to check out a nonprofit's work in person, usually to see if they're a good fit for getting some funding.

Target Audience or Population: It's the specific group of people a project or program is aiming to help or impact, like children, women, or maybe low-income families, children living in underprivileged areas, students, etc.

Grant Glossary

Technical Assistance – This refers to a type of non-financial support, a helping hand, not with money, but with expert advice or services to do things better, like fundraising tips or staff training.

Trust-Based Philanthropy: It's a way of giving where the donors and the nonprofits see each other as equals and work together with trust. It's not just about giving money; it's about building strong, honest relationships and helping in other ways beyond just cash.

Unsolicited Proposals: When nonprofits send in their project ideas to get funding without the donor asking for it. It's like offering an idea without being invited first. Some donors prefer to find and choose organizations they want to support on their own.