Grants Training & Development

Glossary of Grant Terms

501(c) (3) is the section of the Internal Revenue tax code that defines the nonprofit, charitable (as broadly defined), tax-exempt organizations. Contributions made to these organizations are tax-exempt for the donors. To convey that status, they often represent themselves as 501(c) (3) organizations, rather than merely nonprofit organizations.

Accessibility is the extent to which programs or services can be reached or obtained by those who want or need them.

Action Steps are concrete and manageable tasks to be completed.

Activities describe what has to happen or what you have to do to run your program. Activities reflect what the organization (or project) does to fulfill its goals and objectives.

Administrative action is a post-award administrative request to modify the conditions of the original grant. An administrative action may be monetary or non-monetary and may require prior approval from the Department.

Administrative costs are all direct and indirect costs associated with the management of grant programs. They often are capped by the grantor at a certain percentage of the grant.

Advisory Board is a group of individuals, who offer advice, inform or notify. An advisory board differs from an elected board in that they do not have any oversight responsibilities.

Allowable costs are expenditures under a grant project that are specifically permitted (or not specifically prohibited), by law, regulation, or guidance from the Office of Management and Budget, federal accounting standards, or other authoritative sources.

Annual report is a voluntary report issued by a foundation or corporation that provides financial data and descriptions of its grantmaking activities. Annual reports vary in format from simple typewritten documents listing the year's grants to detailed publications that provide substantial information about the grantmaker's grantmaking programs.

Applicant is a party requesting a grant.

Application for Federal Education Assistance or ED 424 is the grant application form, sometimes referred to as the application "cover page," used by the Department.

Appropriations legislation is a law passed by Congress to provide a certain level of funding for a grant program in a given year.

Assessment is the process of collecting and analyzing information to make judgments.

Assets are cash, stocks, bonds, real estate or other holdings of a foundation. Generally, assets are invested and the income is used to make grants.

Assurances represent a listing of a variety of requirements, found in different federal laws, regulations, and executive orders that applicants agree to by signature in an application.

Audit is an examination of grant records and financial accounts for accuracy and legal compliance which may lead to recommendations for corrective action.

Glossary of Grant Terms

Baseline data is the Initial information on program participants or other program aspects collected prior to receipt of services or program intervention. Baseline data are often gathered through intake interviews and observations and are used later for comparing measures that determine changes in your participants, program, or environment.

Basic Components of a Proposal

○ **Summary/Abstract** is a clear and concise summary of the proposed project.
○ **Introduction** describes the agency's qualifications or "credibility."
○ **Problem Statement/Needs Assessment** document the project needs to be met or problems to be solved by the proposed funding.
○ **Objectives** establish the benefits of the funding in measurable terms.
○ **Methods/Approach/Design** describe the activities to be employed to achieve the desired results.
○ **Evaluation** presents a plan for determining the degree to which objectives are met and methods are followed.
○ **Continuation/Future Funding/Sustainability** describe a plan for continuation beyond the grant period and/or the availability of other resources necessary to implement the grant.
○ **Budget** clearly delineates costs to be met by the funding source and those to be provided by the applicant or other parties.

Bidder's Conference is a meeting to discuss with potential bidders, technical, operational and performance specifications, and/or the full extent of financial security and contractual obligations related to a grant solicitation.

Block Grants are formula funds that are not allocated to a specific category and are more flexibly distributed.

Board of Directors is an organized body of advisors with oversight responsibility.

Boilerplate is a form or section of a document that is used so often as to become standard and reused.

Budget period is an interval of time into which a project period is divided for budgetary purposes, usually twelve months.

Capital support refers to funds provided for endowment purposes, buildings, construction or equipment.

Carry-forward is a pool of unexpended funds which is moved to the next funding period

Catalog of Federal Domestic Assistance (**CFDA)** is a publication, and database, that lists the grants and assistance programs of all federal agencies and gives information about a program's authorization, fiscal details, guidelines, eligibility requirements, program contacts, application and award process. The program's CFDA number is required on grant application forms.

LUD: 01/05/07

Glossary of Grant Terms

Certification is a statement, signed by an applicant or grantee as a prerequisite for receiving federal funds, that it 1) meets or will adhere to certain conditions and 2) will undertake or not undertake certain actions.

Challenge grant is offered with the stipulation that the recipient will raise additional funds from another source or sources. It is also called a "matching grant."

Charitable Choice is a requirement, placed in recent legislation that state governments contracting with private sector organizations cannot discriminate against a faith-based social services provider because the provider is religious.

Code of Federal Regulations (CFR) is a compilation of all final regulations issued by federal agencies, published annually and divided by numbered "Titles."

Community Foundation is a 501(c)(3) organization, usually considered a public charity that makes grants for specific purposes in a specific community or region. Funds are derived from many donors and held in an endowment that is independently administered.

Concept paper is preferred by foundations as a first submission, contains key elements of a project, including information about the applicant, the target population, the need, objectives, total budget, other contributors and what makes it remarkable. Concept papers should not exceed three pages, including the cover letter.

Consultant is an individual who provides expert or professional advice or services, often in a paid capacity.

Contact person is the representative of the funder for the grant program, and may also serve as the program administrator or grant officer.

Continuation grant provides additional funding for budget periods subsequent to the initial budget period.

Contracted Services are fees paid by a government agency, business, nonprofit agency or other organization to an organization for delivery of a service or program.

Cooperative venture is a joint effort between or among two or more grantmakers. Cooperative venture partners may share in funding responsibilities or contribute information and technical resources.

Corporate Foundation is a private foundation whose assets are derived primarily from the contributions of a for-profit business. While a company-sponsored foundation may maintain close ties with the parent company, it is an independent foundation with its own endowment and its own board.

Corporate Giving Program is a grant-making program established and administered by a profit-making company. Corporate giving is planned as part of the company's budgeting process and usually is funded with pre-tax income.

Cost-Benefit Analysis is a type of analysis that involves comparing the relative costs of operating a program (program expenses, staff salaries, etc.) to the benefits (gains to individuals or society) it generates. For example, a program to reduce cigarette smoking

Glossary of Grant Terms

would focus on the difference between the dollars expended for converting smokers into nonsmokers with the dollar savings from reduced medical care for smoking related disease, days lost from work, and the like.

Cost Effectiveness Analysis is a type of analysis that involves comparing the relative costs of operating a program with the extent to which the program met it goals and objectives. For example, a program to reduce cigarette smoking would estimate the dollars that had to be expended in order to convert each smoker into a nonsmoker.

Cost-Share is the portion of program costs contributed by a grant applicant. Cost-sharing uses funds other than federal, and is that which is required by a grant program to pay the percentage of project costs not covered by the grant. **Cost-sharing is also called Match** and is either a statutorily specified percentage of program costs that <u>must</u> be contributed by a grant applicant in order to be eligible or where the applicant voluntarily shares in the costs of the program.

Culture is the shared values, traditions, norms, customs, arts, history, institutions, and experience of a group of people. The group may be identified by race, age, ethnicity, language, national origin, religion, or other social category or grouping.

Data are specific information or facts that are collected. A data item is usually a discrete or single measure. Examples of data items might include age, date of entry into program, or reading level. Sources of data may include school records, case files, attendance records, referrals, assessments, interviews, and the like.

Deadline date is the receipt date by the funder for an application to be considered for funding.

Deliverables are those products that are produced by a grant project. They may be quantified achievement, i.e., enrollments, or singular outcomes, i.e., a curriculum.

Demonstration grant is a grant made to fund an innovative project with the intention of duplicating the project elsewhere.

Design is the overall plan and specification of the approach expected in a particular application. The design describes how you plan to measure program/project outcomes and how you plan to use the resulting measurements.

Dialog is an online database information service made available by the Thomson Corporation. The Foundation Center offers two large files on foundations and grants through DIALOG.

Discretionary Funds are those for which funding criteria may be chosen by the grantor agency as long as it is consistent with requirements and intentions of the authorizing legislation.

Distribution committee is the committee responsible for making grant decisions. For community foundations, the distribution committee is intended to be broadly representative of the community served by the foundation.

Direct costs are specific and identifiable costs of project operation.

LUD: 01/05/07

Glossary of Grant Terms

Donee is the recipient of a grant. (Also known as the grantee or the beneficiary.)

Donor is an individual or organization that makes a grant or contribution to a donee. (Also known as the grantor.)

E-Application is an electronic grant application system. Most federal grants can now be applied for online.

e-Grants is a term for the Department's electronic grants initiative and Web site that permits applicants and grantees to do business with the Department over the Internet. It includes the Web-based modules: e-application, e-Reader, e-Reports, e-Administration and e-Payments.

EDGAR (Education Department General Administrative Regulations) are administrative regulations covering the Department of Education's grant programs as found in Title 34 of the CFR. The website for EDGAR is http://www.ed.gov/offices/OCFO/grants/edgar.html.

Education is a process for acquiring knowledge through which individuals learn to think and reason beyond the level of application.

Education Foundation raises funds for school programs, but is a private, non-profit corporation, legally independent from the educational institution. They can serve as broker between the school and community or fiscal agent between a school and a private funder. Several education foundations operate mini-grant programs for teachers.

Employee matching grant is a contribution to a charitable organization by an employee that is matched by a similar contribution from his or her employer. Many corporations have employee matching-gift programs in higher education that encourage their employees to give to the college or university of their choice.

Encumbrance is an obligation in the form of a purchase order, or commitment which is chargeable to a grant award and for which part of the awarded amount is reserved. It ceases to be an encumbrance when paid in full.

Endowment is financial support kept permanently by an institution and invested to provide income to support programs or operations.

ESEA is the Elementary & Secondary Education Act.

Evaluation is the systematic collection of information about a program/project to answer important questions about activities, barriers, characteristics, and outcomes of a program/project.

Expiration date is the date specified in the grant award notification after which expenditures may not be charged against the grant unless to satisfy obligations committed before that date.

Federal Register is a daily compendium of federal regulations and notices, including announcements or Request for Proposals (RFPs) for grant awards.

Glossary of Grant Terms

Federated Giving Program is a joint-fundraising effort, usually administered by an umbrella organization that, in turn, distributes the contributed funds to several non-profit agencies.

Feedback comes from, e.g., employees who carry out processes in the organization, customers/clients using the products and services, etc. Feedback also comes from the larger environment of the organization, e.g., influences from government, society, economics, and technologies.

Fiscal year (FY) is the 12-month accounting period at the end of which the books are closed for an agency or governmental unit.

Formative Evaluation is a type of process evaluation of new programs or services that focuses on collecting data on program operations so that needed changes or modifications can be made to the program in its early stages. Formative evaluations are used to provide feedback to staff about the program components that are working and those that need to be changed

Formula Grants are awarded to eligible entities through allocation based on the program's authorizing legislation; block grants or categorical.

Funder is the governmental unit, foundation or other entity that awards grants.

Funding cycle is the schedule of events starting with the announcement of the availability of funds, followed by the deadline for submission of applications, review of applications, award of grants and release of funds.

Funding priorities are a means of focusing a competition on the areas in which the agency is particularly interested in receiving applications. Priorities take the form of specific kinds of activities that applicants are asked to include in an application to receive preference in the review process. The U.S. Department of Education has the following classifications for priorities:

- o **Absolute priorities** are those which the applicant must address to be considered for funding.

- o **Competitive priorities** are optional and may provide bonus points or be given some other advantage in funding.

- o **Invitational priorities** also are encouraged, but not required. The only advantage they offer is serving as a tiebreaker between proposals with the same score.

General/operating support is a grant made to further the general purpose or work of an organization, rather than for a specific purpose or project; also called an unrestricted grant.

Goals are clear statements of success that your program/project is working to achieve. Goals provide guidance and direction to staff and keep everyone focused on moving in the same direction. Goals set a clear direction for future action and set program/project priorities.

Glossary of Grant Terms

Grant Award Notification (GAN) is an official document signed by a program official who is authorized to obligate the Department in financial matters. The GAN states the amount and the terms and conditions of an award for a discretionary grant or cooperative agreement.

Grant Seeker is a person, school, district, etc. who is applying for the grant.

Grant Period extends from the effective date through the expiration date.

Grantee is an organization that has been awarded financial assistance for a project.

Grantor is a governmental unit or foundation that awards grants.

Guidelines are procedures set forth by a funder that grant seekers should follow when approaching a grant maker.

Independent foundation is a grant making organization usually classified by the IRS as a private foundation. Independent foundations may also be known as family foundations, general purpose foundations, special purpose foundations, or private non-operating foundations.

Indirect cost rate agreement is a formalized, written, and signed agreement between a recipient and the cognizant federal agency that specifies the treatment of indirect costs. The agreement includes, at a minimum, the approved rate(s); base(s) to which the rate(s) apply; applicable fiscal year; specific treatment of certain items of cost; general terms and conditions; and any special remarks. The rates and cost treatment laid out in the agreement are accepted and used by all federal agencies unless prohibited or limited by statute.

Indirect cost rate proposal is the documentation prepared by an organization to substantiate its claim for the reimbursement of indirect costs. This proposal provides the basis for the review and negotiation leading to the establishment of an organization's indirect cost rate.

Indicators are measurable elements that tell you or indicate that the program efforts are successful. Indicators help to define what information must be collected to answer evaluation questions.

In-kind is a contribution of equipment, supplies or other tangible resource, as distinguished from a monetary grant. Some organizations may also donate the use of space or staff time as an in-kind contribution.

Indirect costs cover general administrative costs of a project, including such items as rent, utilities, maintenance, depreciation and custodial services.

Indirect Cost Rate is the percentage of a grant, approved by a federal or state department, or that a particular organization can use to reimburse itself for indirect costs incurred in doing the work of the grant project.

LEA is a Local Education Agency. This is the district education department that applies for and oversees the grant.

Glossary of Grant Terms

Letter of inquiry / Letter of intent expresses the grantor's willingness to commit funds to a project if other conditions are met. It is a brief letter outlining an organization's activities and its request for funding that is sent to a prospective donor in order to determine whether it would be appropriate to submit a full grant proposal. Many grantmakers prefer to be contacted in this way before receiving a full proposal.

Letters-of-commitment specifically list services, money or other inputs promised to the project by partner organizations.

Letters-of-support are written endorsements of an application for funding. They are provided by organizations or individuals who are familiar with the applicant's ability.

Matching funds are funds, other than federal, required by a grant program to pay the percentage of project costs not covered by the grant. It is the portion of program costs contributed by a grant applicant. **Match is also called cost-share** and is either a statutorily specified percentage of program costs that <u>must</u> be contributed by a grant applicant in order to be eligible or where the applicant voluntarily shares in the costs of the program.

Matching grant is one made by one grantor or donor to match those provided by another grantor or donor.

Memorandum of Understanding (MOU) is an agreement developed and executed among partners relating to their roles in a joint operation.

Monitoring is a grantor's review and evaluation of specific aspects of a grantee's activities under a grant agreement.

Noncompetitive Discretionary Funds are those that may be issued, when warranted, to a "sole source" because no other provider will meet the RFP's requirements. Legislators often make this type of funding available to heads of state and heads of departments to use at their discretion.

Nonprofit is a designation secured from the state by a corporation whose board members receive no remuneration from its activities.

Notice of Funding Availability (NOFA) is a term some agencies use for the announcement of a funding competition or and RFP.

Objective is a specific statement that explains how a program goal will be accomplished. For example, an objective of the goal to improve adult literacy could be to provide tutoring to participants on a weekly basis for 6 months. **An objective is stated so that changes (in this case, an increase in a specific type of knowledge,) can be measured and analyzed. Objectives are written using measurable terms and are time-limited.**

Office of Management and Budget (OMB) is a branch of the federal government that oversees procurement, financial management and regulatory policies.

OESE is the Office of Elementary and Secondary Education.

OELA is the Office of English Language Acquisition.

LUD: 01/05/07

Glossary of Grant Terms

OMB (Office of Management and Budget) Circulars are policy documents, which include the administration of federal grants.

OSERS is the Office of Special Education & Rehabilitative Services.

Operating Foundation uses the majority of its funds to conduct research or run programs for the common good. An operating foundation may make a few, small grants.

Organization is a group of people intentionally organized to accomplish an overall, common goal or set of goals. Business organizations can range in size from two people to tens of thousands.

Outcomes are a result of the program, services, or products you provide and refer to changes in knowledge, attitude, or behavior that you expect to occur as a result of implementing the project or program, service or activity.

Outcome evaluation is designed to assess the extent to which a program or intervention affects participants according to specific variables or data elements. These results are expected to be caused by program activities and tested by comparison of results across sample groups in the target population. Outcome evaluation is also known as impact and **summative evaluation**.

Outcome objectives are the positive differences, the changes in knowledge, attitudes, awareness, or behavior that you expect to occur as a result of implementing your program component, proposal, service, or activity. Outcomes should flow directly from program goals and may be long or short-terms.

Outreach is an active effort by program staff to encourage individuals in the designated service delivery area to avail themselves of program services.

Partnerships involve similar organizations who help each other meet their respective goals, without making substantial changes in the services they provide.

Payout requirement is the minimum amount that private foundations are required to expend for charitable purposes (including grants and, within certain limits, the administrative cost of making grants). In general, a private foundation must meet or exceed an annual payout requirement of five percent of the average market value of its total assets.

Performance funding is based on the timely submission of deliverables according to the specifications negotiated between grantor and grantee.

Performance indicator is a target level of performance expressed in measurable terms, against which actual achievement can be compared (i.e. student retention rates will increase on percent annually for each of the next five years).

Performance measure is a characteristic or metric that can be used to assess the performance aspects of a program or project (i.e., dollars expended, students enrolled, grade- point average, and number of job offers received).

Grants Training & Development

Glossary of Grant Terms

Performance report is a report of the specific activities the recipient of a discretionary grant or cooperative agreement has performed during the budget or project period.

Post-test is a test or measurement taken after a program, project, service or intervention takes place. It is compared with the results of a pre-test to show evidence of the effects or changes as a result of the program, service or intervention being evaluated.

Program amount are funds that are expended to support a particular program administered internally by a foundation or corporate giving program.

Pre-test is a test or measurement taken before a program, project, service or intervention begins. It is compared with the results of a post-test to show evidence of the effects of the program, service or intervention being evaluated. A pre-test can be used to obtain baseline data.

Private foundation is a nongovernmental, nonprofit organization with funds (usually from a single source, such as an individual, family, or corporation) and program managed by its own trustees or directors. Private foundations are established to maintain or aid social, educational, religious, or other charitable activities serving the common welfare, primarily through the making of grants. *See also* **501(c)(3)**; **public charity**

Program Office is a sub-unit of a principal office that conducts the daily work of administering discretionary grant and cooperative agreement programs, including the review and ranking of applications.

Program-related investment (PRI) is a loan or other investment (as distinguished from a grant) made by a foundation to another organization for a project related to the foundation's philanthropic purposes and interests.

Program Year (PY) is the 12-month period beginning in July 1 and ending June 30 for the state and beginning October 1 and ending September 30 for the federal government.

Project is the proposed plan, the plan for which grant funds are being requested.

Project period is an extended amount of time, during which a grantee is required to complete the approved work of a project.

Proposal is a written application, often accompanied by supporting documents, submitted to a foundation or corporate giving program in requesting a grant. Most foundations and corporations do not use printed application forms but instead require written proposals; others prefer preliminary letters of inquiry prior to a formal proposal. Consult published guidelines.

Public charity is a nonprofit organization that qualifies for tax-exempt status under section 501(c)(3) of the IRS code. Public charities are the recipients of most foundation and corporate grants. Some public charities also make grants.

Qualifying distributions are expenditures of a private foundation made to satisfy its annual payout requirement. These can include grants, reasonable administrative expenses, set-asides, loans and program-related investments, and amounts paid to acquire assets used directly in carrying out tax-exempt purposes.

Glossary of Grant Terms

Qualitative data are difficult to measure, count, or express in numerical terms. For example, a participant's impression about the fairness of a program rule/requirement is qualitative data.

Quantitative data can be expressed in numerical terms, counted or compared on a scale. For example, improvement in a child's reading level as measured by a reading test.

Replicability is a project requirement of most demonstration grants**.**

Request-for-Application (RFA) is used in non-competitive grant programs, seeking information from a grantee that usually is entitled to receive funds according to a demographic formula.

Request-for-Proposal (RFP) is a solicitation by a grantor seeking applications from potential grantees. Also used by organizations to hire professional services.

Responsive proposal is a submission that meets all the mandatory requirements stipulated in the RFP and addresses the legislative intent of the program.

Reviewer, Grant Reviewer, Peer Reviewer, Field Reviewer is an individual who serves the funder by reviewing and scoring a competitive proposal. Reviewers are chosen for their subject-area expertise. They serve on a panel or "technical" panel of at least three members.

SEA is a State Educational Agency. This is the state education department that applies for and oversees the grant.

Seed Money is a grant or contribution used to start a new project or organization.

Selection Criteria or Evaluation Criteria are standards by which different components of a proposal are rated and scored to qualify for funding.

Set-asides are funds reserved by a grantor for a specific purpose or project.

SMART Objectives are
- **S**pecific,
- **M**easurable,
- **A**ttainable (Achievable)
- **R**esults-focused (Relevant, Realistic)
- **T**imely (Time-based, Time-limited, Timetable-able)

Solicitation for Grant Application (SGA) is a term some agencies use for the announcement of a funding competition or an RFP.

Special purpose foundation is a private foundation that focuses its grant making activities in one or a few areas of interest. *See also* general purpose foundation.

Sponsorship is an Affiliation with an existing nonprofit organization for the purpose of receiving grants. Grantseekers may either apply for federal tax-exempt status or affiliate with a nonprofit sponsor.

LUD: 01/05/07

Glossary of Grant Terms

Standard Form 424 is the application for federal assistance. The form is available for download at http://www.ed/gov/offices/OCFO/grants/appforms.html

Subgrants are formula or competitive grants made from a larger grant.

Substantial progress is a level of accomplishment that a grantee must make in its project during a budget period, which produces measurable and verifiable evidence that the activities undertaken complied with those objectives submitted and agreed on between the grantee and the Department during the grant awarding process.

Target area is usually a geographic area, such as a city, neighborhood, county, certain census tracts or school districts, school service areas.

Targeted population is the target group to receive direct assistance through the project.

Tax-exempt refers to organizations that do not have to pay taxes such as federal or state corporate tax or state sales tax. Individuals who make donations to such organizations may be able to deduct these contributions from their income tax.

Technical assistance is an Operational or management assistance given to nonprofit organizations. It can include fundraising assistance, budgeting and financial planning, program planning, legal advice, marketing, and other aids to management. Assistance may be offered directly by the staff of a foundation or corporation, or it may be provided in the form of a grant to pay for the services of an outside consultant. *See also* in-kind contributions.

Trustee is a foundation board member or officer who helps make decisions about how grant monies are spent. Depending on whether the foundation has paid staff, trustees may take a more or less active role in running its affairs.

Types of Support
    General Support – funds can be used for operating costs such as utility bills, office rent, administrative support, office supplies, staff training, etc.
    Seed – start up funds
    Project Support - funds must be spent on a specific project identified in the grant proposal and specified in the award letter; generally, up to 20% can be spent on administrative costs associated with the project. (20% does not apply to DOE projects.)
    Restricted Funds – funds can only be spent on certain agreed upon areas of the organization and/or projects.
    Non-Restricted Funds – funds can be spent on any area of the organization.

Variables are specific characteristics or attributes, such as behaviors, age, or test scores that are expected to change or vary. For example, the level of adolescent drug use after being exposed to a drug prevention program is one variable that may be examined in an evaluation.