**Glossary of Terms**

**Assets:** Economic resources such as cash, stocks, bonds, real estate and

life insurance.

**• Capital Campaign:** An organized drive to accumulate substantial funds

to finance major needs of an organization such as a building or major

repair project.

**• Challenge or Matching Grant:** A grant that is made on the condition

that other monies must be secured, usually within a specified period of

time, to leverage additional funding from other sources.

**• Community Foundation:** A tax-exempt, nonprofit, autonomous,

publicly-supported philanthropic institution comprised primarily of

permanent funds established by many separate donors for the diverse and

long-term charitable benefit of a community. Created to foster the sense

of community in charitable giving, there are currently more than 700

community foundations operating throughout the nation.

**• Designated Fund:** A type of fund in which beneficiaries are designated

by the donor.

**• Donor Advised Fund:** Created for the purpose of managing charitable

donations on behalf of an individual, family, business or organization.

Donor Advised Funds offer the opportunity to create an easy-to-establish,

low cost, flexible vehicle for charitable giving as an alternative to direct

giving or creating a private foundation.

**• Endowment:** A permanent fund whose principal cannot be spent, but

whose investment earnings provide an annual source of funding.

**• Expendable:** A temporary fund whose principal may be spent down to a

zero balance, often over the course of 20 to 30 years.

**• Field of Interest Fund:** A fund that is used to support a specific

charitable purpose such as education or medical research, and may

support any nonprofit (or multiple nonprofits) working within that area of

interest.

**• Operating or General Support:** An operating grant provides support for

the day-to-day costs of running the nonprofit organization.

**• Pledge:** A pledge is a promise to pay. If you are interested in making a

pledge to a particular organization, please notify our office in writing that

you would like to recommend that the Foundation make a pledge from

your fund. Once approved by our Board of Directors, we then notify the

organization. If we are not notified ahead of time, we are prohibited by

IRS regulations from fulfilling your pledge.

**• Seed:** A seed grant helps to jump-start a new organization or project or to

launch a capital campaign.

**• Unrestricted:** An unrestricted grant allows the nonprofit to use the

money to support the organization where most needed.