

Funding Factsheet 1: Fundraising Jargon Buster



It's important when fundraising to write effective proposals and sell your project to a funder in language that the funder can understand. Here are some key words and phrases that funders use.

Activities: Actions, tasks and work carried out by an organisation to achieve an outcome e.g. activities could include holding an event, providing advice, training volunteers and promotion.

Aims: The specific changes or differences the organisation plans to achieve for its beneficiaries. For example, an organisation might design an activity for the aim 'to increase the work-related skills of its beneficiaries'.

Beneficiaries: The people who directly benefit from an organisation's activities.

Baseline data: Facts about the characteristics of a target group or population and its context, ideally gathered before the start of a project.

Capital funding: Money for one-off purchases (e.g. equipment, building costs, materials).

Core funding: Direct funding for the central support costs of your organisation including central overheads, often salaries, management / administrative staff costs.

Development funding: Money for the internal infrastructure costs of an organisation to enable it to grow and develop.

Earned Income: Money that can come from membership fees, selling expertise, services, or products, rent (from other organisations using your premises), investments.

Evaluation: Using information collected through monitoring to assess the effectiveness of your work.

Full cost Recovery: Costings for a service include all the direct and indirect costs that can be reasonably attributed i.e. a proportion of rent, management salaries, IT and phones, evaluation and monitoring etc.

The Fundraising Regulator: The regulatory body operating across the UK. You can contact them to raise any concerns about fundraising, to ensure charities are accountable for their fundraising, and to improve fundraising standards.

Indicator: Well-defined information which shows whether something is happening. For example, indicators of success could be the number of people who attend the work skills course or the number who make a job application following the course.

Impact: Broader or longer-term effects of a project's activities, outputs and outcomes.

Inputs: Resources put into a project to carry out an activity. Inputs may be human, material or financial, or can be expressed as time.

Institute of Fundraising: Has Codes of Practice and guidance that cover most areas of fundraising

Intermediate outcomes: Steps along the way to end outcomes. They are often smaller changes that need to happen before the final, desired outcome can be reached.

Loan finance: Securing a loan as an alternative to a grant – This is usually sought when there is clear potential for future earned income or there is a need to cover a gap in funding that is already secured.

Milestone: A well-defined and significant step towards achieving a target, output, outcome or impact, allowing you to track progress. This is common in longer term projects. For example, a milestone might be 'supporting 20 beneficiaries by the 3-month milestone'

Monitoring: The routine, systematic collection and recording of information about a project, mainly for the purpose of checking its progress against its plans.

The Charity Commission: the non-ministerial government department that regulates registered charities in England and Wales and maintains the Central Register of Charities

Objectives: The areas of activity or practical steps an organisation plans to accomplish its aims. For example, an objective could be 'To provide training in work related skills'

Outputs: All the detailed activities, services and products you do or provide.

Outcomes: The changes, benefits, learning or other effects that happen as a result of your work.

Outcome indicators: Pieces of information that show whether expected outcomes have occurred. They can be qualitative or quantitative.

Project funding: A discrete and defined piece of work with a beginning middle and most important for the funder, an end, after which they no longer have to support you. A project has its own stand-alone budget but can be related to the larger organisational budget.

Pump-priming: Start up grants for new, innovative projects (sometimes known as seed, or seedcorn, funding).

Qualitative: Qualitative information is descriptive and presented in words.

Quantitative: Quantitative information is given as numbers.

Revenue funding: Expenses and costs that occur on a regular basis i.e. rent, salaries, utilities.

SLAs or Service level agreement funding (contracting out): An agreement, usually with statutory organisations, to fund a voluntary organisation to provide an agreed service over a period of time to a specific client group or service users.

Soft outcomes: These are outcomes which are harder to measure or observe. For example, changes to how someone feels is a soft outcome. Whereas getting a new job is a hard outcome.

SMART Outcomes: These are outcomes which are 'Specific, Measurable, Achievable, Realistic and with a Timescale'. If you are completing an application form which asks for SMART outcomes make sure you think about each of these 5 factors. For example, your intended outcome couldn't be 'A reduction in unemployment' if you have no way of measuring this.

Stakeholder: Any individual or group that is affected by, or can influence, decisions or actions taken by your organisation for example staff, trustees, beneficiaries, the local authority, funders, etc

Targets: A defined level of achievement that an organisation or project sets itself to achieve in a specific period of time.

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