

# Impact Glossary

Through each and every project and client we aim to do better, improve systems and promote sustainable organisation choices.

Therefore we aim to constantly adapt, connect, communicate and care.

Our team of Kindness Curators very caringly populated this tool for you to use and to share.

We hope this is useful.



# A

## **Accountability**

A concept of ethics and governance that obliges an entity to report, explain and be answerable for resulting consequences.

## **Activism**

Direct action to create changes in both governmental and social conditions.

## **Advisory board**

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.

## **Affinity Group**

An independent coalition of grant-making institutions or individuals which shares information, providing networking opportunities to individual grantmakers who show a shared interest in a particular funding area.

## **Affiliate Funds**

Operate as freestanding community foundations for smaller communities. Normally affiliated with local communities that have the benefits of a community foundation but do not have to file incorporation papers, apply for US status, have annual audits or raise staff funding. The initial investment is raised by the board of directors and then relies on recipients and donors for funds.

## **Altruism**

The concern for the welfare of others in a selfless way.

## **Annual report**

A voluntary report that is published by a foundation, non-profit organisation, or corporate that provides the data associated with their grant-making activities over one year

## **Anomie**

The breakdown of the individual's connection with society.

## **Assets**

Amount of capital (money, stocks, bonds, real estate or other resources) that is controlled by a foundation or corporate giving program.

## **Asset Mapping**

Finding the positive values in a community and building on those values so as to create a stronger community.

# B

## **BCORP**

Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. B Corps form a community of leaders and drive a global movement of people using business as a force for good.

## **Bequeath**

A sum of money or assets left by will and made available upon the donor's death.

## **Beneficiary**

Direct beneficiaries can be defined as those who will participate directly in the project, and thus benefit from its existence. Indirect beneficiaries are often, but not always, all those living within the zone of influence of the project.

## **Brick and Mortar**

An informal term for grants for buildings or construction projects.

## **ByLaws**

Rules governing the operation of a nonprofit corporation. Bylaws often provide the methods for the selection of directors, the creation of committees, and the conduct of meetings.

# C

## **Carbon neutral**

A term used to describe the state of an entity (corporation, individual, community) where the carbon emissions caused by them have been balanced out by funding an equivalent amount of carbon savings elsewhere in the world.

## **Carbon zero**

If a company or an organization is carbon-zero, it does not release any carbon dioxide into the environment or it removes the same amount of carbon dioxide from the environment as it puts into it.

## **Carbon footprint**

The amount of carbon dioxide that is released into the atmosphere is the result of activities of any specific individual, community, or organization.

## **Case Statement**

A document that sets forth, in detail, the reasons why an organization merits financial support.

### **Challenge Grant**

A grant that is paid only if the grantee organization is able to raise additional funds from other sources, usually within a specified period of time.

### **Charitable Organisation**

In its traditional legal meaning, the word "charity" encompasses religion, education, assistance to the government, promotion of health, relief of poverty or distress, and other purposes that benefit the community. These organizations will be seen as exempt from federal income tax and will be eligible to receive tax-deductible charitable gifts.

### **Child Development**

All aspects of human growth from conception through adolescence.

### **Child protection**

The safeguarding of children from violence, exploitation, abuse, and neglect. Article 19 of the UN Convention on the Rights of the Child provides for the protection of children in and out of the home.

### **Civic Responsibility**

Working together with other members for the greater benefit of all; promotes the welfare of the community.

### **Community Foundation**

A tax-exempt, non-profit, autonomous, publicly supported, philanthropic institution composed of permanent funds from separate donors who make grants for charitable purposes in a specific community or region.

### **Companies Act**

An act that provides for the formation, operation and accountability of non-profit companies in a manner designed to promote, support, and enhance the capacity of such companies to perform their functions. Balance the rights and obligations of shareholders and directors within companies.

### **Conflict of interest**

A situation in which a person or organization is involved in multiple interests, financial or otherwise, and serving one interest could involve working against another.

### **Corporate Foundation**

A private foundation that gains its grantmaking funds primarily from the contributions of a for-profit business.

### **Corporate Giving Program**

This is a grant-making program that is established within a for-profit organization. Donations and gifts go directly from non-profits from the corporation through this program. These expenses are planned as part of the company's annual budget and are generally tax-deductible.

### **Corporate Governance**

The collection of mechanisms, processes, and relations used by various parties to control and operate a corporation. Governance structures and principles identify the distribution.

**Corporate social responsibility (CSR)**

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable—to itself, its stakeholders, and the public.

**Cradle to grave**

Related to the Resource Conservation and Recovery Act which works to provide a framework to ensure proper management of hazardous waste from creation (cradle) to disposal (grave).

**Cradle to cradle**

The design and production of products of all types in such a way that at the end of their life, they can be truly recycled (upcycled), or returned to the earth, creating a closed loop.

**D****Demonstration grant**

A grant made to establish an innovative project or program that will serve as a model, if successful and may be replicated by others.

**Designated funds**

A type of restricted fund in which the fund beneficiaries are specified by the grantors.

**Discretionary funds**

Grant funds distributed at the discretion of one or more trustees, which usually do not require prior approval by the full board of directors. The governing board can delegate discretionary authority to staff.

**Distribution committee**

The board of directors who are responsible for making grant and donation decisions.

**Donor-advised fund (DAF)**

A fund held by a community foundation or other public charity, where the donor can recommend eligible charitable recipients for grants from the fund.

**Donor deductibility**

Taxpayers may make deductions from their taxable income when making donations to certain organisations.

**Due diligence**

Due diligence is the investigation or exercise of care that a reasonable business or person is normally expected to take before entering into any agreement or contract with another party or an act with a certain standard of care.

**E****Eco-footprint**

Measures the demand on and the supply of nature - how fast we consume and generate waste in comparison to how fast nature is able to generate and absorb.

**Emissions trading**

This is the process of buying and selling permits and credits to emit carbon dioxide. It has been a central pillar of the EU's efforts to slow climate change.

**Ethical consumerism**

This is based on the premise that purchasers in markets consume not only goods but also, implicitly, the process used to produce them.

### **Ethical investment or Socially Responsible Investment (SRI)**

This involves investing in companies that promote ethical and socially conscious themes including environmental sustainability, social justice, and corporate ethics, and fight against gender and sexual discrimination.

### **Expected conduct**

Members who accept responsibility for managing the financial and business affairs of a voluntary association owe a duty of care to the other members of the voluntary association

## **F**

### **Fair Trade**

An organized movement that helps producers in developing countries get better trading conditions.

### **Faith-based charities**

Religious organisations with the purpose to aid those in need.

### **Family Foundation**

A foundation that is funded solely by the members of a single family. Feasibility Study: an extensive survey investigating the potential success of a new project or a fundraising campaign. Such studies can be conducted in-house or outsourced from consultants.

### **Fellowship**

A friendly relationship with the condition or fact of having common interests, ideals, or experiences.

### **Fiduciary**

Relating to or pertaining to the holding of something in trust.

### **Food distribution**

A method of distributing or transporting food or drink from one place to another; an important part of public nutrition.

### **Food insecurity**

The risk or fear of not having consistent access to food that meets people's dietary needs and food preferences; not being sure one will have enough food or the right food to feel full, grow, and be healthy.

### **Funding Proposal**

A document drawn up to be submitted to a potential donor introducing an NPO, identifying a need in society, and focusing on how the NPO will address the need. The proposal also covers the assessment process as well as the future sustainability of the project.

### **Fundraising Audit**

An evaluation of all aspects of an NPO's fund development functions, including staff capability, computerization levels, potential sources of funding, and capital to spend on funding.

### **Fundraising Calendar**

A time frame outlining the various functions of a fundraising campaign with dates by which each step should begin and end.

## Fundraising Cycle

The functions of fundraising from planning to receiving donations, often covering a twelve-month period.

## G

### Generation-skipping trust

An estate tax-saving trust, where the principal is left in trust for one's grandchildren, with one's children receiving only the trust income.

### Giving pattern

An overview of the types of projects and programs that a donor tends to support.

### Grant

A financial donation given to support a person, organisation, project, or program.

### Grant proposal

A document submitted to the foundation or possible funding source through which the organisation presents its request for funds.

## Grant in Aid

Donations from government and foreign missions.

### Grassroots fundraising

Efforts to raise money from individuals or groups from the local community on a broad basis.

### Grassroots organisation

A group consisting of local participants who work together originally to improve upon their community and extend to a broader basis.

### Greenwash

The practice of making an unsubstantiated or misleading claim about the environmental benefits of a product, service, technology, or company practice.

## H

### Humanitarian

One who is concerned for human welfare, especially through philanthropy.

## I

### Impact Assessment

A means of measuring the effectiveness of organisational activities and judging the significance of changes brought about by those activities.

### Indenture

A legal deed or contract. For example, a contract obligating one party to work for another for a specified time period.

### Independent foundation

A private foundation usually founded by one individual. This is often something of bequest.

### **Indigenous leadership**

A type of authority that occurs naturally.

### **In-kind contribution**

Contributions of equipment, supplies, or other tangible property as distinguished from monetary grants.

### **Inurement**

To transfer or use a charity's assets or income for the benefit of a charity's insiders.

### **Internal revenue service (IRS)**

The federal agency that has the responsibility of regulating foundations and their activities. The South African Revenue Service (SARS) is the revenue service of the South African government.

### **Intermediate sanctions**

Penalty taxes applied to disqualified persons of public charities that receive an excessive benefit from financial transactions with the charity.

### **Internally displaced person (IDP)**

An individual who has been forced to flee his home for the same reason as a refugee, but remains in his or her own country and has not crossed an international border.

## **J**

### **Jeopardy investment**

An investment that risks the foundation's ability to carry out its exempt purposes.

### **Joint funding**

Support of a project or programme by more than one donor.

## **K**

### **Key Performance Indicator (KPI)**

A measurable value that demonstrates how effectively a nonprofit (or another type of organisation) is achieving its key organisational objectives. Therefore, organisations use key performance indicators at multiple levels to evaluate their success in reaching targets. benefits of a product, service, technology, or company practice.

### **King (Report - Governance)**

It was published way back in 1994 and we have had King I, King II, King III, with King IV™ being the latest edition (The King IV effective date was 1 April 2017). King IV™ is a structured Report that includes a Code, with additional, separate sector supplements for SME's, NPO's, State-Owned Entities, Municipalities, and Retirement Funds. Contains both principles and recommended practices aimed at achieving governance outcomes.



# L

## **Lapsed donor**

An individual who has terminated their donation services towards an organization

## **Legacy**

The gift that an individual leaves, both in the details of their will and in the tradition of giving they shared with their descendants - similar to a bequest.

## **Letter of Intent**

A letter that states a prospect's intention to make a specific gift or legacy. The letter could constitute a binding obligation.

## **Liability of Directors**

Directors may be held liable if they breach any provision of the Companies Act. This liability extends to members of a committee appointed by the board – irrespective of whether that person is a member of the company or not.

## **Limited-purpose foundation**

A type of foundation that restricts its giving to one or very few areas of interest, such as higher education or medical care.

## **Logframe**

Another name for Logical Framework, a planning tool consisting of a matrix that provides an overview of a project's goal, activities, and anticipated results. It provides a structure to help specify the components of a project and its activities and for relating them to one another.

# M

## **Matched funding**

Money promised, conditional upon the NPO obtaining (usually a rand-for-rand) matched amount.

## **Matching gifts program**

A gift that is made on condition that it be matched, within a certain period, on a one-to-one or similar formula basis, by gifts from other sources.

## **Mentor**

An individual offering guidance to another, building a trusting relationship.

## **Mission statement**

A concise paragraph stating the purpose and goals of an organization in reference to the reason for the organization's existence.

## **Monitoring and Evaluation**

Used to assess the performance of projects, institutions, and programs set up by governments, international organisations, and NGOs. Its goal is to improve current and future management of outputs, outcomes, and impact.

## **Motivation**

The desire or need that causes staff and volunteers to see a development program through to success to generate and absorb.

# N

## **Named gift opportunity**

Giving a major donor the opportunity of having a building or something similar named in his, her, or its honour.

### **Needs assessment**

The study of the organization's structure and program; used to determine the types of activities that cater to the needs of a specific target market.

### **Network**

To communicate with other individuals to gain support and assistance in future endeavors.

### **Non-profit organisation (NPO)**

Any private organisation that provides services to a community, whose purpose is not to make a profit for its investors.

### **Nonprofit Organisations Act**

An act that intends to provide for an environment in which NPOs can flourish; to establish an administrative and regulatory framework within which NPOs can conduct their affairs; to repeal certain portions of the Fundraising Act, 1978; and to provide for matters connected therewith.

### **Nonprofit Governance**

How your nonprofit is administered. The key players in

a nonprofit organization are the directors, officers, committees, members, executive directors, staff and volunteers, and any existing advisory boards or friends groups. All nonprofits are governed by a board of directors, a group of volunteers that is legally responsible for making sure the organization remains true to its mission, safeguards its assets, and operates in the public interest. The board is the first line of defense against fraud and abuse.

### **Non-Government Organisation (NGO)**

NGOs tend to be urban-based organisations that have access to funds, and generally have skilled or "professional" staff.

## **O**

### **Operating Foundation**

Also known as private operating foundations. These foundations are registered to use the bulk of their income to provide charitable services.

### **Operating support**

A contribution given to cover an organization's day-to-day, ongoing expenses, such as salaries, utilities, office supplies, etc.

### **Organisational budget**

A document listing/itemizing every anticipated expense as well as a source of income for a coming financial year, for an entire NPO.

### **Organisation Chart**

A chart depicting the complete structure of an organisation, or division of an organisation, or a campaign body, including all its committees. It also demonstrates how the various sections of the organisation relate to one another.

## **P**

### **Patron**

Usually a high-profile person who lends his or her name to an NPO, endorses the organisation, and occasionally attends events or signs important letters; rarely, if ever, attends meetings.

### **Payroll giving**

Fundraising initiative whereby employees (including entry-level workers) agree to have a donation (usually a small amount) deducted from their wages/salaries in order to support an NPO.

### **Philanthropy**

Refers to charitable acts or other good works that help others or society as a whole. Philanthropy can include donating money to a worthy cause or volunteering time, effort, or other forms of altruism. Philanthropy is more long-term and strategic and often involves making multiple gifts to help people over a number of years. While charity is focused on providing immediate relief to people and is often driven by emotions, philanthropy is focused on helping people and solving their problems over the long term.

### **Planned giving**

A broad term with varied uses in different countries for arrangements made between individual donors and NPOs to allow for either bequest or to defer bequests until after the deaths of their beneficiaries. Planned giving today can also include creative but legal

arrangements for people to support NPOs while saving on income tax and/or saving their estate's death duties/taxes.

### **Pledge**

A promise, in writing, to donate (usually at a later date).

### **POPI Act: The Protection of Personal Information Act**

South Africa's equivalent of the EU GDPR. It sets some conditions for responsible parties (called controllers in other jurisdictions) to lawfully process the personal information of data subjects (both natural and juristic persons).

### **Pro bono**

Used to describe work or services done or performed free of charge for charity or a nonprofit organisation.

### **Project**

Used to describe the kind of services an NPOs delivers to its target groups (eg: HIV/Aids

project or pet inoculation project). Sometimes called programmes.

### **Project budget**

A document detailing all expenses and anticipated sources of income (with the budget shortfall representing the amount to be raised/generated) pertaining to a specific project of an NPO.

### **Prospective donor**

A donor with which/whom a fundraiser has begun communication regarding a donation and who has indicated interest or not yet declined.

### **Public benefit organization (PBO)**

A PBO can be a trust, company, a nonprofit company registered under the new Companies Act, or any other association that has been registered with SARS. All NPOs are encouraged to register as PBOs as such non-profits can be exempted from regular income tax on the condition that it is not distributed directly or indirectly to its members.

**Public Interest Score**

A score that determines your company's public interest. This score is important because the Companies Act requires that all companies calculate their PI Scores in determining the type of annual financial statement that your company should prepare.

**R****Reply device**

A form to be completed with a pre-addressed envelope, coupon, or any other document or mechanism that makes the donation process easier; usually associated with direct mail fundraising from individuals, but also relevant to email appeals to individuals.

**Reporting requirements**

The needs and the wants of a donor in terms of reporting; for example a) how often an NPO must report to the donor (every month, every quarter, every year), b) in which format (typically in writing), and c) what the NPO must report on (typically project progress and finances).

**Resource mobilisation**

A newer term rapidly gaining popularity to describe the broad process of NPOs finding money, friends, volunteers, donations-in-kind, and establishing income-generating projects in the interests of their future financial self-sustainability.

**Religious institutions**

Nonprofit organisations with an organised system of beliefs, rites, and celebrations centered on supernatural being or power.

**Repatriation**

The process of returning to one's home country. The majority of refugees prefer to return home as soon as it is safe to do so after a conflict.

**Resettlement**

The process of helping a refugee find a new, permanent home when they cannot safely reside in a country of first asylum or return home.

**Resources**

Available supply or support that can be drawn on when needed or wanted.

**Responsibility**

The task an individual is trusted to perform.

**Responsible citizen**

A trusted member of a community who obeys laws and respects and helps others.

**Restricted fund**

A fund consisting of money or other gifts as well as the income they generate, use of which must conform with restrictions established by the donor or grantor.

**Reward system**

A scheme of payment or other return for contributions made to a nonprofit group by its paid staff and volunteers.

**S****Seed funding or seed money**

An early donation to begin a new project or to launch a business/project. There is an accepted element of risk to giving this money.

### **Service-learning**

Goes beyond volunteerism, community service, and youth service by connecting the service experience to the school curriculum and by requiring students to reflect on the meaning they attach to the service they performed.

### **Social impact**

The effect on people and communities that happens as a result of an action or inaction, an activity, project, programme or policy.

### **Sponsorship**

Money given by the marketing department of a company in return for advertising/brand promotion; a business deal based on ad-spend (numbers of people likely to see the company's logo/advert) and not usually given for philanthropic purposes.

### **Strategic plan**

A plan (often written up as a Business Plan for three to five years) outlining the strategies to be employed in order to achieve an NPO's goals, objectives and to fulfill its mission.

### **Sustainability**

Meeting our own needs without compromising the ability of future generations to meet their own needs. In addition to natural resources, we also need social and economic resources. Sustainability is not just environmentalism. Therefore, sustainability is made up of three pillars: the economy, society, and the environment. These principles are also informally used as profit, people, and planet.

### **Sustainability (NPO context)**

A term used loosely and broadly but usually meaning the financial self-sustainability of an NPO or one of its projects. Donors often ask "how will the NPO/project be sustained after our grant?"

## **T**

### **Tainted money**

Money acquired by corrupt means.

### **Tax-exempt sector**

A synonym for the nonprofit sector, but one

stressing that nonprofit groups in this sector serve social values and the public interest sufficiently well to receive from state and federal governments a tax-exemption on excess revenues.

### **Theory of Change**

A specific type of methodology for planning, participation, and evaluation that is used in companies, philanthropy, not-for-profit, and government sectors to promote social change. Theory of Change defines long-term goals and then maps backward to identify necessary preconditions.

### **Trade associations**

Association whose principal goal is to foster improvement in a certain kind of business, serving thus member businesses or their representatives and managers, if not all three.

### **Trust**

A Trust is a legal arrangement between persons intending to form a trust that is governed in terms of a Deed of Trust for the benefit of the beneficiaries. Trusts can be used to conduct business for profit or to promote causes not aimed at profit.

## Trustee

A member of a governing board

# U

## Underwriting sponsorship

Money given or guaranteed by the marketing department of a company for a fundraising event for which it receives advertising, naming rights, brand promotion, and/or corporate identity promotion but conditional upon the repayment of money given should the event make a profit. If the event shows a loss, the company forfeits its money or has to cover costs.

## Union

An association whose mission is to establish and improve for its members their rate of remuneration, conditions of work, fringe benefits, and certain other features of employment and worker welfare.

## United Nations

The United Nations is an intergovernmental organization that aims to maintain international peace

and security, develop friendly relations among nations, achieve international cooperation, and be a centre for harmonizing the actions of nations. (193 countries in total).

## Universal values

A common set of morals found to be applicable worldwide.

## Utilitarian incentive

The desire to gain economic returns from membership in a nonprofit group, be the returns monetary, occupational, professional, or some other material benefit.

## Unrestricted funds

A fund that is not specifically designated to particular uses by the donor, or for which restrictions have expired or been removed.

# V

## Valuation

An assessment of the actual value of an item to the person or organization that possesses it.

## Venture philanthropy

An approach to giving that borrows the language and practices of venture capital investing and adapts those to investing in charitable organizations and causes".

## Volunteer

(n) one who offers himself for a service of his own free will Volunteerism (v) The act of performing a service or good work for others without pay.

## Vision of success

An organisation's ideal picture of itself in the future, as it carries out its mission and achieves success.

## Vision statement

A document laying out what you envisage becoming in the future.

### **Virtual water**

The volume of water used to produce consumers' products.

### **Visual waste audit**

Observing, estimating, and recording data on waste streams and practices without physical weighing.

## **W**

### **Water assessment**

Observing, measuring, and recording data and collecting and analysing waste samples.

### **Waste hierarchy**

A concept promoting waste avoidance ahead of recycling and disposal often referred to in community education campaigns as 'reduce, reuse, recycle.'

### **Waste minimization**

Techniques to keep waste generation at a minimum level in order to divert materials from landfills.

### **Wastewater**

Used water that is not suitable for drinking

### **Water footprint**

The total volume of freshwater that is required in a given period to perform a particular task or to produce the goods and services consumed at any level of the action hierarchy.

### **Water self-sufficiency**

The ratio of the internal water footprint to the total water footprint of a country.

### **Welfare**

The personal condition of physical health, emotional comfort, economic security, and meeting of other public needs.

### **Workplan**

A document, typically internal to a project, setting out responsibilities, time frames and courses of action on how to go about achieving project results and objectives.

### **Women's giving**

A concept that builds on the tradition of volunteerism and is empowered with women's financial resources.

### **Will**

A legal document in which a person states various binding intentions about what happens to their property after their death.

## **Y**

### **Youth**

The United Nations, for statistical purposes, defines 'youth', as those persons between the ages of 15 and 24 years without prejudice to other definitions by Member States.

### **Youth group**

A group, usually an association, composed mainly of youth, often with the goal of youth development.

# Z

## **Zero-based budgeting**

A financial procedure whereby an organisation must examine and justify each item in its budget with the object being only to continue those programs that meet the group's planning goals and are financially feasible.

## **Zero waste**

Turning waste into resource; the redesign of resource-use so that waste can ultimately be reduced to zero; ensuring that by-products are used elsewhere and goods are recycled, in emulation of the cycling of wastes in nature.