

General Glossary
and
Revenue & Chart of Accounts Definitions

<u>501(c)(3)</u>	Section of the IRS Code that designates an organization as charitable and tax-exempt.
<u>509(a)</u>	Section of the tax code that defines public charities (as opposed to private foundations).
<u>990/990F (form)</u>	IRS forms filed annually by public charities and private foundations respectively; utilized to assess compliance with IRS Code. Both forms list organization assets, receipts, expenditures, and compensation of officers.
<u>Accounting and Auditing</u>	Generally includes all services received from <u>independent certified public accountants</u> .
<u>Administrative Cost</u>	Those expenses that cannot be assigned to a specific cost center or program activity; e.g., management, financial or other expenses supporting the overall goals of agency). This cost is a fixed percent of the program budget, determined by a direct/indirect cost rate calculation based on the total agency budget.
<u>Advertising/Promotional Activities</u>	Includes any type of advertising on behalf of the entity, newspaper ads, Internet and web site advertising, etc. <u>Excludes recruiting expenses</u> . Includes any type of promotional activity on behalf of the entity (logos, T-shirts, pencils) and costs associated with fund raising events.
<u>Allocation/Reimbursement</u>	Funds recommended by a funding organization for support of a service contract.
<u>Annual Report (financial)</u>	A voluntary report published by a foundation, organization or corporation describing its grant activities, revenues and expenses. It may be a simple, typed document listing the year's grants or an elaborately detailed publication.
<u>Articles of Incorporation</u>	A document filed with the Secretary of State or other appropriate state office by persons establishing a corporation.
<u>Assets</u>	Cash, stocks, bonds, real estate or other holdings of an organization.
<u>Asset Statement</u>	Document assets of community, program or agency as related to a specific project.
<u>Bank Services</u>	Fees paid to a bank for checks and service charges.
<u>Benchmarks</u>	Performance data used for comparative purposes.

Books & Subscriptions

Includes books or sets of books (not to exceed \$750), and subscriptions, journals, etc.

“Bricks & Mortar”

An informal term indicating grants for buildings or construction projects.

Budget

Actual and projected annual income and expenses approved by the Board of Directors.

Capital Outlay

The acquisition of land or buildings, cost of renovations, purchase of books, furniture, equipment and machinery with an individual cost over \$1000.

Cash Forward from Fund Balance of Organization

The amount of funds transferred from the agency's general fund balance.

Challenge Grant

A grant made on the condition that other monies must be secured, either on a matching basis or via some other formula, usually within a specified period of time, with the objective of stimulating giving from additional sources.

Communications

Telephone, pager, cellular telephone, telegraph charges, and long-distance telephone charges.

Internet

Communications charges associated with the Internet.

Collaboration

A group of individuals representing various organizations, possibly with similarities in mission, coming together for the purpose of sharing resources and enhancing services to the community.

Conference Expense

Includes all costs associated with a conference, such as registration, transportation, meals, lodging and incidentals incurred by employees in the performance of their duties.

Conflict of Interest

A conflict of interest exists where a public official promotes, advocates, or advances his own interests or the interests of any person or business to which the public officer has a material interest, within the scope of his/her responsibility as a public official. (For this application process, this includes being on a Board of Director's for an organization.)

Contributions/Donations

Monetary or in-kind revenues, usually citizen driven.

Deadline

The date by which requested material is due, without exception.

Depreciation

Depreciation of fixed assets as recorded in the entity's accounting system.

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 that usually do not require prior approval by the full board of directors. The governing board can delegate discretionary authority of staff.

Direct Program Costs

Costs that can be clearly identified and directly accounted for in support of a specific program.

Dues and Memberships

Includes membership fees or dues to professional affiliations for the organization.

Educational Materials

Includes costs of goods and training materials needed for training and educational assistance. Includes all books, publications, and other media.

Educational Training

Includes educational/training costs for staff and honorariums/stipends for speakers/facilitators and/or trainers.

Endowment

Legally designated fund held in perpetuity, whereby investment income only may be spent.

FICA Taxes

Employer Medicare and Social Security matching.

Financial Audit

A report by an independent certified public accountant that accompanies the financial statements and contains the accountant's opinion regarding the fairness of presentation of the financial statements.

Food and Nutrition

Food or meal costs for clients or staff (only when supervision of meals is a required job duty).

Foundations

Any funds applied to the program that originate from various private foundations.

Fundraising

Any funds applied to the program that are collected by the agency through solicitation, special events, or by memberships, which do not entitle the donor to program services.

Goal

Broad, overall statement describing desired proposed result of the project/program that supports the mission of the organization.

Governmental

Any funds or grant awards that originate from governmental sources and are applied to the program; e.g.:

Federal	County
State	City

Indirect Costs

Costs that cannot be clearly identified or accounted for in an individual program; e.g., management costs, general, etc. Also, see *Administrative Costs*.

In-Kind

Includes the value of time donated by volunteers,

donated space, services and materials that are utilized by the program. (Note: volunteer hourly values can be estimated by using the most recent national valuation of volunteer services as provided by the Independent Sector or 211-Tampa Bay Cares.)

Input

Resources dedicated to or consumed by the program; e.g., money, staff, volunteers, facilities, equipment, etc. A program uses inputs to support activities.

Insurance

Includes all insurance carried for the protection of the entity such as fire, theft, casualty, general and professional liability auto coverage, surety bonds, etc.

Interest and Other Earnings

Any funds applied to the program that were derived from interest, stocks, bonds or other earnings, other than Medicare/Medicaid, or program fees.

Interfund Transfer

Any funds transferred from another department or program that are applied to the program and are not delineated as cash forward.

Investigations

Includes the costs for background checks, fingerprinting, drug and urine testing, blood testing, applicant screening and testing, and lie detector test/testing. Costs incurred for confidential matters handled pursuant to criminal investigations.

Letter of Intent

A grantor's letter of brief statement indicating intention to make a specific gift(s).

Leverage

Leverage occurs when a small amount of money is given with the express purpose of attracting funding from other sources or providing the organization with the tools it needs to raise other kinds of funds. Sometimes called "multiplier effect."

Life and Health Insurance

A fringe benefit of life and health insurance premiums and benefits paid for employees.

Loans

This includes the program's share of payments made on loans.

Local Revenue

Any funds or grant awards that originate from local sources and are applied to the program:

- Juvenile Welfare Board
- School Board
- United Way
- Cities, etc.

Maintenance and Repair Services

Agency Vehicle – The costs incurred for the repair and maintenance of vehicles owned by the agency, fuel and all maintenance and service contracts.

CONTINUED

Maintenance and Repair**Services**

Building and Grounds – The costs incurred for the repair and maintenance of buildings and property owned by the agency, including all maintenance and service contracts. Can include custodial or janitorial services, unless they are recorded under contractual services.

Equipment – The costs incurred for the repair and maintenance of equipment owned by the agency, including all maintenance and service contracts.

Matching Funds

Monies received from government entities, including district school boards, special taxing districts, private sources (both individual and corporate) and bequests and funds received from community sources that are conditional based on securing another source of revenue.

Medicare/Medicaid

Any funds applied to the program that were derived from Medicare/Medicaid.

Objectives

Qualitative and quantitative measures. Specific items to be accomplished during the course of the project or funding period. This should include a projected timetable for accomplishing each objective, as well as defining specific measurable actions, and persons responsible (not to be confused with “outcome”).

Office Supplies

This includes materials and supplies, such as, stationary, preprinted forms, paper, charts, and maps (items less than \$1,000).

**Operating Expenditures/
Expenses**

Includes expenditures for goods and services that primarily benefit the current budget period and are not defined as personal services or capital outlays.

Operating Supplies

All types of program supplies consumed in the conduct of operations. This category may include food, tickets for field trips, fuel, household items, institutional supplies, computer software and hardware, uniforms and other clothing. Also includes recording tapes and transcript production supplies (items less than \$1,000).

Operating Support

Funding that covers an organization's day-to-day expenses; e.g., salary, utilities, office supplies, etc.

Other (specify)

Client-Related Line Items – Other client related expense(s).

General Operating (Administrative) Line Items – Other general operating expense(s).

Occupancy Line Items – Other occupancy expense(s).

Office Expense Line Items – Other office expense(s).

Personnel Expenses – Other personnel expense(s).

Staff-Related Line Items – Other staff-related expenses(s).

Other Revenues (specify)

Any sources of funds applied to the program that were not identified in the other categories, including endowments and bequests.

Outcomes

Benefits or changes in individuals or populations during or after participation in program activities, which are influenced by outputs. May relate to changes in behavior, skills, attitudes, conditions, etc.

Outcome Indicators

Specific items of information that track a program's success on outcomes; e.g., measurable, observable, specific, and time-bound.

Output

Direct product of program activities. Intended to lead to a desired benefit or change for participants or target populations; e.g., # meals provided, brochures distributed, etc.

Partnership

A contractual or verbal agreement entered into generally by 2 or a few persons (agencies) in which each agrees to furnish a part of an agreed upon effort. (An agency usually may have multiple partnerships in place. This is different from a collaboration where there are typically numerous agencies with scheduled on-going meetings.)

Pass-Through

Foundations or organizations that receive monies and make distributions to donees with little or no principal remaining with the foundation or organization.

Payout Requirement

The minimum amount that a private foundation is required to expend for charitable purposes, including grants and necessary and reasonable administrative costs.

Personnel Expenses

Expense for salaries, wages, and related employee benefits for all persons employed (as defined by IRS rules) by the reporting entity whether on full time, part-time, temporary, or seasonal basis. Employee benefits include employer contributions to a retirement system, social security, insurance, sick leave, terminal pay, and similar direct benefits, as well as other costs such as Worker's Compensation and Unemployment Compensation Insurance.

Postage/Shipping

Freight and express charges, postage, and messenger services.

Problem Statement

Documentation of problems identified or needs to be met through the implementation of the proposed project.

Professional/Contractual Services

Medical, dental, engineering, architectural, appraisal, technology, and other services procured as independent professional assistance. Custodial, janitorial, and other services procured independently by contract or agreement with persons, firms, corporations, or other governmental units. Does not include specific services defined in other line items.

**Program Service Fees/
Contributions**

Any funds applied to the program that were derived through program fees, charges, or dues that entitle the payer to program services.

Printing and Binding

Costs of printing, binding, and other reproduction services that are contracted for or purchased from outside vendors.

Recruitment Costs

(under Operating Expenditures/Expenses)

Costs associated with recruiting staff, such as advertising.

Regular Salaries & Wages

See *Salaries & Wages*.

Rentals and Leases

(under Operating Expenditures/Expenses)

Buildings & Land – Amounts paid for the lease or rent of land or buildings.

Equipment – Amounts paid for the leases or rent of equipment.

Vehicles – Amounts paid for the lease or rent of vehicles.

Reserve

A planned fund that the agency is holding for a particular use in some future endeavor; e.g., building maintenance, operating emergencies, or specialized equipment, etc.

Residential Per Diem

(under Operating Expenditures/Expenses)

Costs reimbursed on a per day/per bed basis for residential services, such as 24-hour care. Derived calculation for this cost must be shown.

Restricted Funds

Assets whose use is subject to constraints that are either (a) externally imposed by grantors or (b) imposed by law through constitutional provisions or enabling legislation.

Retirement Contributions

Amounts contributed to a retirement fund.

Salaries & Wages

Includes all part-time and full-time employees who make up the regular work force. Includes all temporary and seasonal employees who are not part of the regular work force (does not include fees paid to speakers or contractors).

Seed Money

A grant or contribution used to start a new project or organization.

Site Visit

Visit by a donor organization, which may include a meeting with staff, directors, recipients of services, or volunteers for the purpose of evaluating the program.

Social Investing

The practice of aligning a foundation's investment policies with its mission. Also called ethical investing.

Sole Source

An agency or program that provides a service unique in the geographic County. No other agency in the County provides this service.

**Specific Assistance to
Individuals/Participants**

Payments made on the behalf of participant(s) in need of assistance, such as clothing, utilities, special items, baby supplies, cash assistance, etc.

Supporting Services

Agency activities that do not provide a direct service to the community but support the agency's ability to provide programs.

Target

Quantifications of indicators; numerical standards for a program's level of achievement on its outcomes.

Technical Assistance

Operational or management assistance given to an organization. This may include budget assistance, program planning, legal advice, program compliance assistance, etc.

Third Party Payments (Insurance)

Any payments received from insurance carriers other than Medicare/Medicaid.

Transportation

Cost of transporting a particular client/child/volunteer from one place to another; e.g., taxis, bus tickets, travel stipends/vouchers.

Travel

This includes the routine costs of public transportation, motor pool charges, mileage reimbursements for use of private vehicles, per diem, meals, and incidental travel expenses. (It excludes costs associated with a conference.)

Unduplicated # Served

The number of individuals served in a program during a particular period of time. If a person is served more than once in a program or service area, he/she is counted only once.

Unemployment Compensation

Amounts contributed to the unemployment compensation fund.

Unit Costs

Cost of providing program services to each client per episode. (Unit Cost = the program/functional cost divided by the number of instances/units of client service.) This should not include Administrative and Fund-Raising costs.

Unit of Service

Single episode of delivery or program service(s) to client.

Unrestricted Funds

Funds not specifically designated to particular uses by the donor, or for which restrictions have expired or been removed.

Utility Services

Electricity, gas, water, sewer, sanitation, and other utility services.

Workers' Compensation

Premiums and benefits paid for Workers' Compensation Insurance.