

## Glossary of Terms

### Introduction

Every culture, community and organization develops a common vocabulary, including the health, nonprofit and philanthropic worlds. To help ensure that we are communicating in common terms, The California Endowment has prepared the following glossary to help explain some of the terms we share:

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**501(c)(3)** — The section of the tax code that defines nonprofit, charitable (as broadly defined), tax-exempt organizations; 501(c)(3) organizations are further defined as public charities, private operating foundations, and private non-operating foundations.

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**Access:** An individual's ability to obtain appropriate health care services. Barriers can be financial (insufficient monetary resources), geographic (distance to providers), organizational (lack of available providers) and sociological (e.g., discrimination, language barriers). Efforts to improve ability to receive health care often focus on providing and improving health coverage.

**Advocacy:** Active engagement in efforts to create or effect changes in health policies or systems. Advocates seek to influence outcomes (i.e. public policy, resource allocation, etc) by highlighting critical issues, influencing public attitudes and providing individuals with the necessary tools to have a voice in the decision-making process. Advocacy efforts can take many forms, including education, media, direct action and lobbying. Funding from The Endowment cannot be used for lobbying activities.

**Agricultural worker:** Refers to all those employed in the cultivation and tillage of the soil; the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities; and any work on a farm as incident to or in conjunction with such farming operations, including the delivery and preparation of commodities for market or storage. Includes work at a packing shed with an agricultural employer in order to perform services in connection with handling, drying, packing or storing any agricultural commodity in its raw or natural state (such as canneries). The Endowment's definition explicitly excludes forestry workers and nursery workers.

**Alliance:** A close association of groups formed to advance common interests.

**Annual operating budget:** The yearly financial plan that estimates the revenue and expenditures for an organization. The revenue section typically details all of the projected sources of income for an organization such as grants, contracts, memberships and fundraising. The expenditures section typically details all of the costs associated with operating the organization and all of its projects such as personnel, occupancy, supplies, communications and program expenses.

**Applied research:** Research having a practical purpose or use.

**Assets:** (This term refers to community assets and not financial assets); the gifts, skills and capacities of a community's residents, associations and institutions.

**At-risk:** A term used to define populations (or individuals) in circumstances or environments that threaten their personal health or safety. This term can also be applied to populations whose health and safety could be threatened because of lack of access to any health resources.

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**Capacity-building:** Activities that an organization, network of organizations, or a community undertakes to enhance its effectiveness and its ability to improve health outcomes in ways that build on its existing assets and resources. Activities may include training, technical assistance, coaching, information dissemination, provision of tools and equipment, convening, networking, assessment, evaluation, community based research, asset mapping, planning, facilitation of communication, facilitation of collaboration, and facilitation of access to policymakers--or provision of funding to obtain the above.

**Capital:** Funds provided for capital campaigns, building or renovation and equipment grants.

**CBOs:** Community-based organizations.

**Coalition building:** The bringing together of individuals and groups in support of an issue.

**Collaboration:** To work together in a mostly intellectual effort or a joint effort between or among two or more organizations. Collaborative partners must share in funding, activities, responsibilities and/or contribute information and technical resources.

**Community:** Community can mean either a geographic location (e.g., four census tracts in a town) or a place (e.g., a housing project). In addition, community can also mean a shared history, common interest or association among individuals and groups.

**Community-driven or Community-based:** In a community-based plan, program or organization, members of the community take ownership and control of every facet. This means placing importance on inclusion, collaboration and focusing on the community's assets and resources rather than deficiencies.

**Continuation funding:** Funding for the same project.

**Core operating support:** This term refers to the operating support, including key personnel and administration costs, necessary to maintain existing on-going programs/projects or the general operations of an organization.

**Culture:** Integrated patterns of human behavior that include language, thoughts, communications, actions, customs, beliefs, values and institutions of racial, ethnic, religious or social groups.

**Cultural competence:** The ability of organizations and individuals to work effectively in cross-cultural or multicultural interactions. The capacity to function effectively as an individual and an organization within the context of the cultural beliefs, behaviors and needs presented by users and their communities.

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**Direct services:** The provision of health-related, clinical and non-clinical care, such as case management, counseling, medical or dental care and health screening.

**Dissemination and of information:** Activities to publicize the process and/or outcomes of a grant project in order to inform the field and policy development. Strategies include presentations at conferences or symposia, articles in journals, peer consultation and technical assistance, press conferences, etc.

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**Emerging:** Organizations that are in the early stages of development and do not have an established infrastructure or track record, or that are smaller with some experience and history and are seeking to grow and expand.

**Evaluation:** In health services research, a systematic analysis of the degree to which a program or initiative has achieved, or is capable of achieving, its goals and objectives; in medicine, an analysis of a patient's condition.

**Expansion:** To expand the scope of a program by incorporating new elements that will enhance the program. To simply expand the number of people served by a program is considered general operating support by The Endowment.

**Expenditure responsibility** In general, when a private foundation makes a grant to an organization that is not classified by the IRS as a "public charity," the foundation is required by law to provide some assurance that the funds will be used for the intended charitable purposes. Special reports on such grants must be filed with the IRS. Most grantee organizations are public charities and many foundations do not make "expenditure responsibility" grants.

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**Fiscal sponsor:** A tax-exempt, 501(c)(3) organization that agrees to accept and be responsible for grant funds on behalf of another organization. The fiscal sponsor is responsible for the general management of grant funds, which can include keeping financial records, disbursing funds in accordance with the purpose of the grant and fulfilling reporting requirements. Fiscal sponsors are useful if the applicant lacks the infrastructure to manage grant funds.

Please note that if a group or organization is not a legally incorporated organization, another organization may not act as a "fiscal sponsor." In this case, if the "fiscal sponsor" organization is willing to take on full legal responsibilities for the grant, the unincorporated group or organization may

become a project of the "fiscal sponsor" organization and the "fiscal sponsor" organization would become the legal grantee.

**Focused funding:** A series of targeted grants to community-based organizations to address the unique needs of underserved constituencies such as racial and ethnic minorities, gays and lesbians, and women.

**Funding partnerships:** A collective term used by The Endowment to describe the various types of funding relationships the foundation will enter into to facilitate meeting its program objectives. These funding partnerships include program offices, incubator organizations and regrating organizations.

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**General operating support:** Unrestricted funds that support the day-to-day operating costs of an organization.

**Grassroots:** Organizations that originate from, and represent, the populations they serve.

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**Health:** The state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. It is recognized, however, that health has many dimensions (anatomical, physiological and mental) and is largely culturally defined. The Endowment recognizes and supports the World Health Organization's definition of health as a state of complete physical, mental and social well-being, and not merely the absence of disease or infirmity. This broad definition of health recognizes that many health problems stem from social and behavioral factors and others are attributable to inadequate access to health care.

**Health outcomes:** Changes in the health status of individuals, groups or populations which are attributable to a planned intervention or series of interventions. Interventions may include government policies and consequent programs, laws and regulations, or health services and programs including health promotion programs. Health promotion outcomes are changes to personal characteristics and skills, social norms and actions, or organizational practices and public policies that are attributable to health promotion activities.

**Health promotion:** The idea of encouraging behaviors that enhance a person's or community's state of health.

**Health service area:** Area designated on the basis of such factors as geography, political boundaries, population and health resources, for the effective planning and development of health services.

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**Inclusion:** To be placed into a group or class; to be part of a whole. The Endowment strives for inclusion of all Californians in receiving adequate preventive health and health care.

**In-kind contribution:** A contribution of equipment, supplies or other tangible resources (as distinguished from monetary grants).

**Investment:** A term that may be used in reference to grant making.

**Intermediaries:** May be defined as "regranting" organizations. The preferred term at The Endowment is funding partnerships.

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**Leadership development:** The identification and nurturing of individuals in the health field that understand and reflect the diverse cultural values of California and whose values and character enable them to influence others by providing purpose, direction, and motivation. Leadership development activities may include scholarships, fellowships, sabbaticals and training opportunities.

**Legal Entity:** For purposes of The California Endowment's grant making, "legal entities" must be those that fall under the tax exempt category. The standard wording the IRS uses in defining-tax exempt organizations is "it has been determined that your organization is not a private foundation as it is described in section 509(a)..." The IRS recognizes several types of public charities, such as public institutions, publicly supported charities, supporting organizations, under Section 501(c)(3).

**Lobbying:** There are two forms of lobbying defined under federal regulation. Direct lobbying is a communication that (1) is with a legislator, an employee of a legislative body, or any other government employee who may participate in the formulation of the legislation; (2) refers to a specific piece of legislation; and (3) expresses a view on it. Grass roots lobbying is a communication that attempts to influence specific legislation by encouraging the public, other than the organization's members, to contact legislators about that legislation. Such a communication must (1) refer to a specific piece of legislation; (2) reflect a view on it; and (3) encourage the recipient to take action or contact a legislator about the legislation. Private foundations generally may not lobby or fund lobbying except in limited circumstances such as issues affecting their tax-exempt status.

Efforts to influence the opinion of legislators, legislative staff and government administrators directly involved in drafting legislative proposals. The Internal Revenue Code sets limits on lobbying by organizations that are exempt from tax under Section 501(c)(3). Public charities may lobby as long as it does not become a substantial part of their activities. Private foundations generally may not lobby except in limited circumstances such as issues affecting their tax-exempt status. Conducting nonpartisan analysis and research and disseminating the results to the public generally is not lobbying for purposes of this restriction.

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**Mainstream resources:** Mainstream resources include, but are not limited to, government grants and contracts and grants from large, statewide or national foundations.

**Migrant workers:** Workers who travel to the United States for their jobs. This term often refers to those who work in the industries of tourism, restaurants, hotels, day laborers, etc. “Migrant” does not only refer to “agricultural” worker, so the two are not interchangeable.

**MOU:** A Memorandum of Understanding is an agreement between two or more collaborating organizations that states the roles and responsibilities of each agency for the duration of the project or over a specified length of time.

**Multicultural health:** The field of multicultural health addresses the impact of major social inequities related to health and the distribution of health care resources. The Endowment has taken an approach that reflects the diversity of the people of California. The dimensions of diversity include race, ethnicity, class, culture, language, gender, sexual orientation, physical ability/disability, religion and age.

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**Nongovernmental Organization (NGO):** Agencies and organizations that do not have direct ties to any government.

**Nontraditional organizations:** Not historically engaged in health-related activities and programs, but are using their unique connection with a community to develop and/or implement a program to address the health needs of that community.

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**Organizational Change:** This approach is meant to contribute to improved organizational efficiency and effectiveness to allow the organization to be more responsive to the community it serves and/or prepare the organization to change the systems that impact the health status of that community.

**Outcomes:** Statements that describe what will happen to individuals, groups or populations as the result of a program. Health outcomes are changes in the health status of individuals, groups or populations that are attributable to a planned intervention or series of interventions. Outcomes can also refer to changes in systems, organizations, or programs.

**Overhead Costs (also known as Indirect or Shared Costs):** The expenses that are incurred in the everyday business of operating an organization that are not directly linked to any one specific program. Some of the items typically included in this category are rent, utilities, office equipment rental or maintenance, development costs, insurance and audit or legal fees.

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**Planning:** These grants support planning processes designed to develop a detailed plan and strategy for implementation of a project or program that will address a locally defined health need or health-related priority. Planning funds can also be used for capacity building purposes.

**Partnership:** A working relationship with one or more funding organization(s), or intermediary grantee(s). A partnership differs from an applicant/grantee relationship. Both types are built on mutual respect, trust, and productivity and may last over a long period of time, but the relationship with

applicants or grantees is distinguished by the unequal power dynamics (perceived or actual) that result from the foundation's responsibilities to make funding recommendations and oversee the progress of each grant.

**Place-based:** Refers to a funding strategy that is geographically focused, such as the 14 Building Healthy Communities sites.

**Policy:** A course of action adopted and pursued by a government, party, statesman or other individual or organization; any course of action adopted as proper, advantageous or expedient. The term is sometimes used less actively to describe any stated position on matters at issue, i.e., an organization's policy statement on national health insurance. Policy refers to the set of rules that govern institutions, including governmental, health care and other systems, or private sector business and corporations. Policy can be set by laws and regulations, the courts, or by the institutions themselves.

**Program Related Investment:** Program-related investments (PRIs) are investments made by foundations to support charitable activities that involve the potential return of capital within an established time frame. PRIs include financing methods commonly associated with banks or other private investors, such as loans, loan guarantees, linked deposits, and even equity investments in charitable organizations or in commercial ventures for charitable purposes

**Project:** A coordinated effort over a defined period of time to achieve specific results.

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**RFP** Acronym for Request for Proposal. When the government issues a new contract or grant program, it sends out RFPs to agencies that might be qualified to participate. The RFP lists project specifications and application procedures. While an increasing number of foundations use RFPs in specific fields, most still prefer to consider proposals that are initiated by applicants.

**Research:** The process of defining, building, and testing specific, new ideas. Research activities at The Endowment include literature reviews, survey development and data collection, statistical and spatial (GIS) analysis, and generation of reports.

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**Strategic partnership:** A partnership that is formed with the goal of advancing a common interest.

**Strategic grant making:** Solicited grant-making program that encompasses initiatives, requests for proposals, special programs and focused funding.

**Systems change:** This approach focuses on making changes in laws, regulations, policies, standards, or funding that will improve how health services and programs are provided or utilized by underserved individuals and communities and/or will result in improvements in health status.

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**Technical assistance:** An organizational intervention by an expert designed to increase skills, knowledge, or abilities. It can include fundraising assistance, budgeting and financial planning, program planning, marketing and other aids to management.

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**Underserved:** Underserved refers to populations or groups of people for whom geography, cultural barriers, language, physical ability/disability, socio-economic status, or other factors limit access to health systems and resources.

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**Well-being:** The state of being healthy, happy or prosperous. As it relates to The Endowment, well-being is promoted through the message of preventative strategies for all populations.

**Wellness:** A mode of physical, mental and social well-being where an individual recognizes his/her full capabilities and potential through an awareness of nutrition, physical fitness, stress reduction and self-responsibility. Wellness has often been a result of four key factors: biology, lifestyle, environment and the health care system.

**Work Force Diversity:** A multicultural labor force that is representative of the racial/ethnic/geographic populations served.

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