

# USEFUL TERMINOLOGY

## **B-Corporation**

B Corps are for-profit companies certified by the non-profit B Lab to meet rigorous standards of social and environmental performance, accountability and transparency.

## **Bequest**

A sum of money made available upon the donor's death by provision in their will. Many people leave bequests to charities. Many charitable foundations in Australia have been established by Bequest.

## **Corpus**

The original gift and ongoing principal that forms the asset base from which a foundation operates.

## **DGR: Deductible Gift Recipient**

A Deductible Gift Recipient (DGR) is a fund or organisation that can receive tax deductible gifts. The deduction is claimed by the person or organisation that makes the gift. There are a limited number of categories or types of DGRs. There are requirements set by the ATO to be endorsed as a DGR.

## **Ethical investment**

An investment policy that specialises in environmental and socially responsible investment, and is informed by shared commitment to improve the ethics of corporate Australia and promote ecologically sustainable and socially just enterprises through judicious investment.

## **Foundation**

Foundation in philanthropic terms is usually used to refer to a trust designed to make grants to charities.

## **Impact**

The longer-term, deeper change resulting from outcomes.

## **Impact**

Investing Impact Investing refers to investments made based on the practice of assessing not only the financial return on investment, but also the social and environmental impacts of the investment that happen in the course of the operations of the business and the consumption of the product or service that the business creates. An impact investor seeks to enhance social structure or environmental health as well as achieve financial returns.

## **Non-discretionary funds**

Funds given to support a particular organisation selected by the donor at the time of the gift.

## **Not-for-profit/non-profit**

A not-for-profit organisation is an organisation whose primary objective is something other than the generation of profit, and which does not distribute any profit to the organisation's members. A not-for-profit organisation may have a 'profit' – or surplus – left over after operating costs, but whereas a for-profit business would distribute that profit to its owners, shareholders or members, a not-for-profit must use the surplus to further the purpose of the organisation and its activities.

## **PAF: Private Ancillary Fund**

A Private Ancillary Fund is a legal structure that is often used by families, individuals or companies to establish grant-making foundations. A PAF must only make grants and is not permitted to carry out charitable programs.



### **PuAF: Public Ancillary Fund**

A Public Ancillary Fund (PuAF) is one of two types of ancillary funds that is entitled to endorsement as a Deductible Gift Recipient (DGR). A PuAF collects tax deductible donations from the public, which it distributes to DGRs covered by item 1 of the table in subsection 30-15 of the Income Tax Assessment Act 1997.

### **Social impact bond**

A social impact bond (SIB, also known as social benefit bond) is a form of performance-based contract, typically held with a government, which commits to pay for significant improvements in social outcomes.

### **Social impact measurement**

A form of measurement that provides benchmarks and mechanisms to assess, monitor and track the social impact of an investment/grant.

### **Social enterprise**

An organisation with innovative solutions set out to solving social and environmental problems. Social enterprises can take the form of non-profit, for-profit and hybrid businesses.

### **Venture philanthropy**

Venture philanthropy is the application of venture capital principles and practices, such as long-term investment and capacity building, to not-for-profit organisations. Venture philanthropy assists non-profit organisations in the plan, launch and management of new programs or social purpose enterprises.

### **Application**

The specific set of forms, documents, and attachments that comprise an applicant's submission to a federal grant opportunity.

### **Budget**

The financial plan for the project or program that the Federal awarding agency or pass-through entity approves during the Federal award process or in subsequent amendments to the Federal award. It may include the Federal and non-Federal share or only the Federal share, as determined by the Federal awarding agency or pass-through entity.

### **Close Date**

The deadline designated by the grant-maker designated for submission of a particular grant application.

### **Eligibility Criteria**

Eligibility criteria refer to the mandatory criteria, which must be met to qualify for a grant.

### **Funding**

Grant funding is non-repayable funds disbursed by one party (grant makers), often a government department, corporation, foundation or trust, to a recipient, often (but not always) a non-profit entity, collective, or an individual.

### **Grantee**

The individual/organisation selected to receive a grant.

### **Mandatory Form**

The forms that are required for the application. Please note that a mandatory form must be completed before the system will allow the applicant to submit the application package.

**Partnership**

A mutually beneficial relationship between entities that is characterized by cooperation and responsibility toward the achievement of a specified goal.

**Question**

Application questions that require a response, so as to elicit information from the grant applicant.

**Recipient**

A person or organisation to whom a grant is made.

**Target Audience**

The specific community/communities for whom the programming or project activity is provided.

Source: Philanthropy Australia website, <http://www.philanthropy.org.au/tools-resources/glossary>  
Impact Investing Australia <https://impactinvestingaustralia.com/resources/glossary/> and Community Grants Hub website, <https://www.communitygrants.gov.au/glossary>